



Financial Results for FY2008

February 6, 2009

ASAHI GLASS CO., LTD.

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2008年度本決算

Financial Results for FY2008

1. 決算のポイントと主要項目

Highlights of FY2008 Financial Results

今回の決算のポイント

Highlights of FY2008 Financial Results

Sales	14.1%	down YoY
O/P	22.0%	down YoY
O/P margin	10.7%	

- ◆ The shipment of glass substrates for TFT LCDs continued to be strong until middle of the year.
- ◆ The Group faced a sharp decrease in demand for all businesses in the forth quarter which caused a radical reduction of shipments.
- ◆ Extraordinary losses of 17.6 billion yen posted for expenses of restructuring programs in flat glass business of North America.

連結損益計算書

Consolidated Profit and Loss Statements

億円 (100million yen)

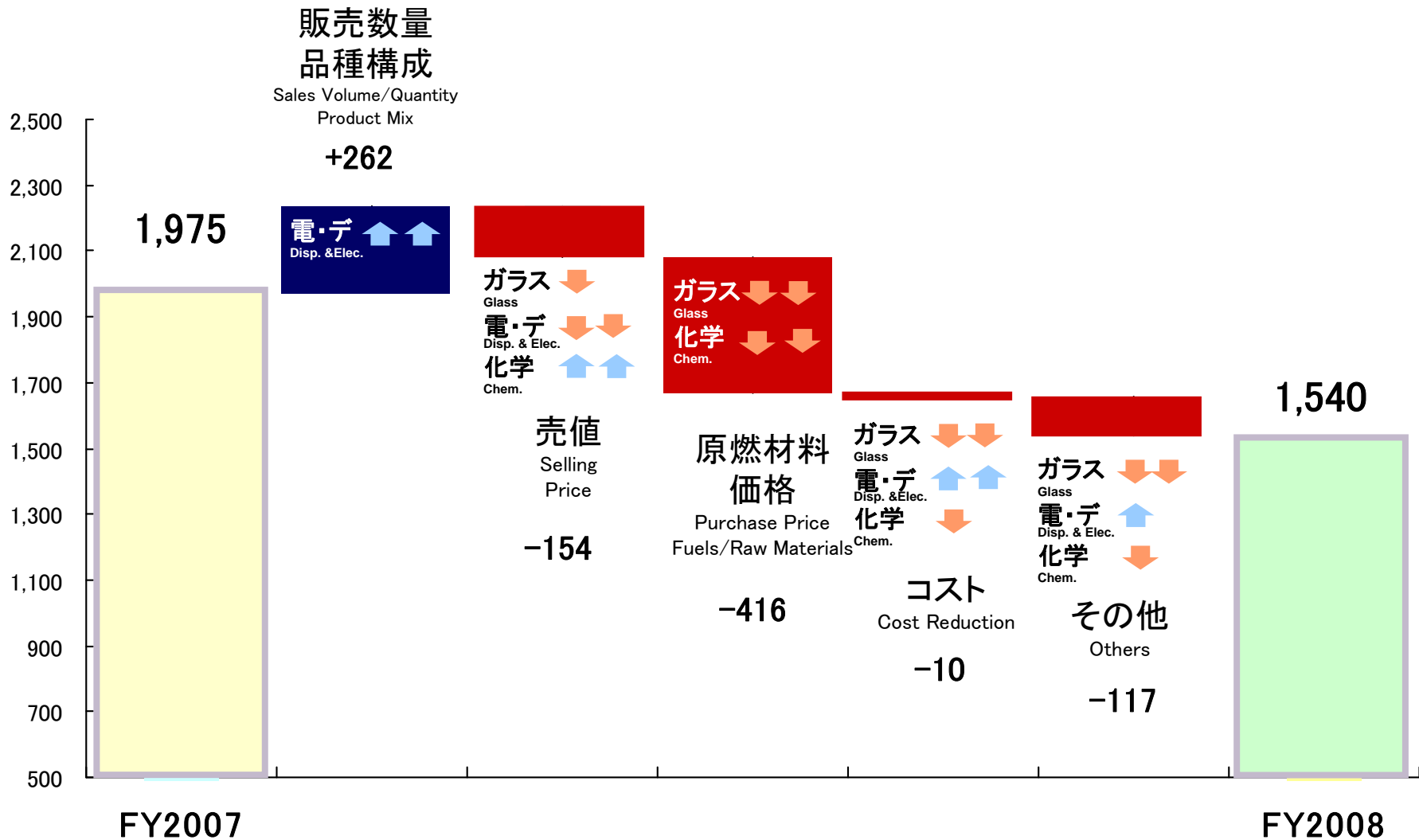
		FY2007	FY2008	増減 Change	% 増減 Change %
売上高	Net sales	16,812	14,443	-2,369	-14.1%
営業利益	Operating profit	1,975	1,540	-434	-22.0%
	営業外損益	-96	-443		
	金融収支	-110	-72		
	持分法損益	39	-6		
	その他	-24	-364		
経常利益	Ordinary profit	1,879	1,098	-781	-41.6%
	特別損益	-857	-397		
税引前利益	Profit before tax	1,022	701	-321	-31.4%
	法人税等	301	249		
	少数株主損益	25	60		
当期純利益	Net profit	696	392	-305	-43.7%
売上高営業利益率	Operating profit margin	11.7%	10.7%		
為替レート	円/USD	JPY/USD	117.7	102.8	
FOREX	円/EUR	JPY/EUR	162.0	152.1	
原油	\$/バレル (Dubai)	Crude Oil \$/BBL	68.4	93.6	

為替差損益
 Net exchange loss and profit
 FY2007: -23
 FY2008: -303

営業利益増減要因分析

Variance Analysis on Operating Profit

億円(100 million yen)



連結貸借対照表

Consolidated Balance Sheets

億円(100million yen)

		07/12	08/12	増減
		Dec. 31 2007	Dec. 31 2008	Change
資産の部	Assets	21,081	18,328	-2,752
流動資産	Current assets	6,771	5,927	-844
現金及び預金	Cash on hand & in banks	824	838	14
受取手形及び 売掛金	Trade notes & accounts receivable	2,865	2,086	-779
棚卸資産	Inventories	2,377	2,271	-106
その他	Other current assets	706	732	27
固定資産	Fixed assets	14,308	12,401	-1,906
有形・無形 固定資産	Tangible-Intangible fixed assets	10,984	9,998	-986
投資有価証券	Investments in securities	2,873	1,728	-1,146
その他	Other fixed assets	450	676	226
繰延資産	Deferred assets	2	-	-2
資産合計	Total Assets	21,081	18,328	-2,752

		07/12	08/12	増減
		Dec. 31 2007	Dec. 31 2008	Change
負債の部	Liabilities	10,807	10,520	-288
仕入債務	Payables	2,416	2,207	-209
借入金 (含むCP、社債)	Loans (include CP & Bonds)	5,312	5,976	664
その他	Other liabilities	3,080	2,337	-742
純資産の部	Net Assets	10,273	7,809	-2,465
株主資本	Shareholders' equity	8,072	8,269	197
資本金	Common stock	909	909	0
資本剰余金	Additional paid-in capital	969	970	0
利益剰余金	Retained earnings	6,334	6,602	268
自己株式	Treasury stock	-140	-211	-71
評価・換算差額	Valuation & translation adjustments	1,472	-966	-2,438
新株予約権	Share subscription rights	4	7	3
少数株主持分	Minority Interests in Consolidated Subsidiaries	725	498	-227
負債・純資産合計	Total Liabilities & Net Assets	21,081	18,328	-2,752

連結キャッシュフロー

Consolidated Statements of Cash Flows

億円 (100million yen)

		FY2007	FY2008
営業活動によるキャッシュ・フロー (a)		2,457	2,053
税金等調整前純利益	Profit before income taxes & minority interest	1,022	701
減価償却費・のれん償却・固定資産減損	Depreciation/Amortization/Impairment	1,561	1,492
運転資金増減	Increase (decrease) in working capital	-60	283
その他	Others	-66	-423
投資活動によるキャッシュ・フロー (b)		-2,098	-2,605
固定資産取得	Purchase of property, plant & equipment	-2,452	-2,542
その他	Others	354	-63
フリー・キャッシュ・フロー (a)+(b)		359	-553
財務活動によるキャッシュ・フロー		-361	736
借入金増減	Increase (decrease) in bank loans, bonds & CP	-128	1,092
支払配当	Dividends paid	-234	-257
その他	Others	1	-99
現金等に係る換算差額		3	-103
現金等の増加額		1	80

連結株主資本等変動計算書

Consolidated Statements of Changes in Net Assets

億円(100million yen)

		株主資本 Shareholders' Equity					評価・ 換算 差額等	新株 予約権	少数 株主 持分	純資産 合計
		資本金	資本 剰余金	利益 剰余金	自己 株式	株主資本 合計				
		Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Shareholders' Equity Total	Valuation & translation adjustments	Share subscription rights	Minority Interests in Consolidated Subsidiaries	Net Assets Total
2007年12月31日残高	Balance at Dec. 31 2007	909	969	6,334	-140	8,072	1,472	4	725	10,273
当連結会計年度中の変動額										
	剰余金の配当	Dividends Declared	-	-	-257	-257	-	-	-	-257
	当期純利益	Net Income	-	-	392	392	-	-	-	392
	自己株式	Treasury Stock	-	-	-1	-71	-	-	-	-72
	欧州子会社の会計基準 変更に伴う増加	Increase due to change of accounting standards at the European subsidiaries	-	-	135	135	-	-	-	135
	その他	Others	0	0	-	0	-2,438	3	-227	-2,662
合 計	Total	0	0	268	-71	197	-2,438	3	-227	-2,465
2008年12月31日残高	Balance at Dec. 31 2008	909	970	6,602	-211	8,269	-966	7	498	7,809

設備投資・減価償却費等

CAPEX, Depreciation & Others

億円(100million yen)

		FY2007	FY2008
設備投資額		2,311	2,521
	CAPEX		
	ガラス	983	1,030
	電子・ディスプレイ	1,057	1,243
	化学	260	238
	その他	12	11
減価償却費		1,347	1,353
	Depreciation		
	ガラス	605	578
	電子・ディスプレイ	532	564
	化学	199	201
	その他	13	13
研究開発費		339	377
	R&D		
		07/12	08/12
		Dec. 31 2007	Dec. 31 2008
有利子負債残高		5,312	5,976
	Interest-bearing debts		
D/E比率		0.52	0.77
	D/E ratio		

2. セグメント別・地域別の状況

Information by Business & Geographic Segment

セグメント別業績

Performance by Business Segment

億円(100million yen)

売上高	Sales	FY2007	FY2008	増減 Change	% 増減 Change %
ガラス	Glass	8,660	7,413	-1,247	-14.4%
電子・ディスプレイ	Electronics & Display	4,652	3,727	-925	-19.9%
化学	Chemicals	3,194	3,031	-162	-5.1%
その他	Other	876	966	89	10.2%
消去	Elimination	-569	-694	-124	-
全社計	Consolidated Total	16,812	14,443	-2,369	-14.1%

営業利益	Operating Profit	FY2007	FY2008	増減 Change	% 増減 Change %	% 利益率 OP Margin
ガラス	Glass	637	187	-450	-70.7%	2.5%
電子・ディスプレイ	Electronics & Display	1,182	1,266	84	7.1%	34.0%
化学	Chemicals	124	39	-86	-69.0%	1.3%
その他	Other	32	50	18	57.4%	5.2%
消去	Elimination	-0	-1	-1	-	-
全社計	Consolidated Total	1,975	1,540	-434	-22.0%	10.7%

ガラス セグメント

Glass Segment

億円 (100million yen)

事業 Operations	売上高 Sales		営業利益 Operating Profit		コメント Comment
	FY2007	FY2008	FY2007	FY2008	
板ガラス Flat Glass	5,630	4,907 (-723)	637	187 (-450)	<ul style="list-style-type: none"> ・ In Western Europe, demand continued to weaken as economy slowed down, and prices also dropped. ・ Although demand remained strong in fast-growing markets such as Russia, it weakened in the fourth quarter, affected by the slowing economy. ・ In North America to cope with weakened demand, the Group decided to stop some operations of flat glass production facilities and withdraw from the unprofitable glass fabrication business. ・ In Japan, shipments decreased, affected by continued weak demand from the construction sector. ・ Responding to price hikes in raw materials and fuels, the Group revised prices in Japan, Asia and North America, however this failed to offset all cost increases. ・ Shipments of glass for solar cells remained strong with an expansion of the market of solar cells.
自動車ガラス Automotive Glass	3,194	2,905 (-289)			<ul style="list-style-type: none"> ・ Sales decreased because of a decline in auto production throughout the year in North America, from the third quarter in Europe and from the fourth quarter in North America, Europe, Japan and the rest of Asia.
その他ガラス Other Glass	417	147 (-270)			<ul style="list-style-type: none"> ・ Fully withdrew from the fiberglass business as the end of October 2007.
消去 Elimination	-581	-546			
合計 Total	8,660	7,413 (-1,247)	637	187 (-450)	<ul style="list-style-type: none"> * ()内数字は前期比 * () vs FY2007

電子・ディスプレイ セグメント

Electronics & Display Segment

億円 (100million yen)

事業 Operations	売上高 Sales		営業利益 Operating Profit		コメント Comment
	FY2007	FY2008	FY2007	FY2008	
ディスプレイ Display	3,153	3,035 (-118)	1,182	1,266 (+84)	<ul style="list-style-type: none"> Shipments of glass substrates for FPDs significantly increased in the first half of the year. Shipments of glass substrates for TFT LCDs decreased in the second half of the year due to the operational adjustment at panel manufacturers. Overall shipments of display glass sharply declined in the fourth quarter.
電子部材 Electronics Materials	1,549	709 (-840)			
消去 Elimination	-50	-17			
合計 Total	4,652	3,727 (-925)	1,182	1,266 (+84)	<ul style="list-style-type: none"> * () 内数字は前期比 * () vs FY2007

化学 セグメント

Chemicals Segment

億円 (100million yen)

事業 Operations	売上高 Sales		営業利益 Operating Profit		コメント Comment
	FY2007	FY2008	FY2007	FY2008	
クロールアルカリ・ウレタン Chlor-alkali & Urethane	2,038	2,000 (-38)	124	39 (-86)	<ul style="list-style-type: none"> • Sales of the mainstay product caustic soda continued to be steady thanks to brisk demand both in Japan and abroad. • Sales of vinyl chloride-related products also remained robust overseas until the middle of the year, but demand declined and price weakened in the forth quarter. • Although shipments of water and oil repellent and fluorinated resins remained strong, demand declined in the forth quarter. • In response to price hikes of raw materials and fuels, the Group revised price of products in both Chlor-alkali & Urethane business and Fluorochemicals & Speciality chemicals business, however this failed to fully offset the increased costs.
フッ素化学・スペシャリティ Fluorochemicals & Speciality chemicals	1,187	1,075 (-112)			
その他化学 Other Chemicals	63	57 (-6)			
消去 Elimination	-94	-101			
合計 Total	3,194	3,031 (-162)	124	39 (-86)	* ()内数字は前期比 * () vs FY2007

為替換算・連結範囲変更の影響

The Impact of FOREX and Consolidation Scope Change

億円(100million yen)

区分 Segment	ガラス Glass		電子・ディスプレイ Electronics & Display		化学 Chemicals	
	売上高	営業利益	売上高	営業利益	売上高	営業利益
	Sales	OP	Sales	OP	Sales	OP
2008年度 FY2008	7,413	187	3,727	1,266	3,031	39
増減(前期比) Change vs. FY2007	-1,247	-450	-925	84	-162	-86
増減[以下影響を除く](前期比) Change like-for-like vs. FY2007	-238	-390	75	66	9	-78
為替換算の影響 Impact of FOREX	-576	-22	-230	-16	-169	-8
連結範囲変更の影響 Impact of Consolidated Scope Change	-433	-38	-769	34	-2	0

地域別業績

Performance by Geographic Segment

億円(100million yen)

売上高	Sales	FY2007	FY2008	増減 Change	% 増減 Change %
日本	Japan	9,010	8,108	-901	-10.0%
アジア	Asia	4,692	4,191	-501	-10.7%
アメリカ	Americas	1,919	1,281	-638	-33.3%
ヨーロッパ	Europe	4,303	3,553	-751	-17.4%
消去	Elimination	-3,111	-2,690	421	-
全社計	Consolidated Total	16,812	14,443	-2,369	-14.1%

営業利益	Operating Profit	FY2007	FY2008	増減 Change	% 増減 Change %
日本	Japan	957	777	-180	-18.8%
アジア	Asia	595	569	-25	-4.3%
アメリカ	Americas	-79	-44	35	-
ヨーロッパ	Europe	586	257	-329	-56.1%
消去	Elimination	-85	-20	65	-
全社計	Consolidated Total	1,975	1540	-434	-22.0%

地域・事業マトリックス(FY2008)

Sales/Operating Profit by Business & Geographic Segment (FY2008)

億円(100million yen)

FY2008 区分 Business	日本 Japan		アジア Asia		アメリカ Americas		ヨーロッパ Europe		消去 Elimination		合計 Total	
	売上高	営業利益	売上高	営業利益	売上高	営業利益	売上高	営業利益	売上高	営業利益	売上高	営業利益
	Sales	OP	Sales	OP	Sales	OP	Sales	OP	Sales	OP	Sales	OP
ガラス Glass	2,460	-52	957	27	1,097	-47	3,431	263	-533	-4	7,413	187
電子・ ディスプレイ Electronics & Display	3,105	799	2,386	478	46	2	0	0	-1,810	-13	3,727	1,266
化学 Chemicals	2,195	-17	793	58	140	6	122	-6	-218	-3	3,031	39
その他 Others	934	48	56	7	4	-5	4	0	-32	-0	966	50
消去 Elimination	-585	-1	-2	-0	-6	0	-5	0	-96	0	-694	-1
合計 Total	8,108	777	4,191	569	1,281	-44	3,553	257	-2,690	-20	14,443	1,540

中期経営計画 “*Grow Beyond-2010*”

The Medium-Term Management Plan “*Grow Beyond-2010*”

長期的な構造変化

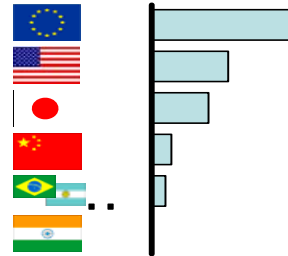
Structural Changes through 2030

- ◆ Further growth in fast-growing markets and expansion of business related to climate change.

From

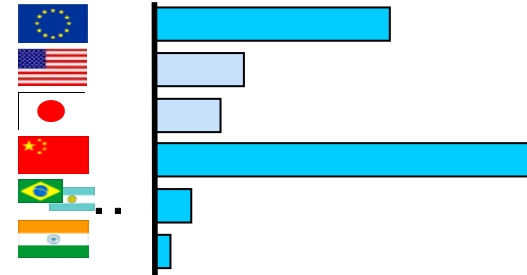
<Change of Markets>

Gross Production in broad glass industry



Key Markets are in developed countries

To

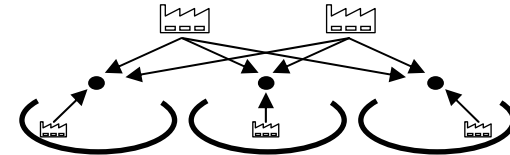


In addition, China, South America, India, etc. will become key global markets

<Change of production sites>



Located close to markets



Located where raw materials are produced at low cost ---(eg,) Middle East, Russia, etc.

<Change of approach to climate change>

Efforts to observe minimum requirement, such as pollution control measures, etc.



New business opportunities

Geographical changes in economic activities

Climate change

経営方針の基本コンセプト

The Basic Concept of Management Policy

“Look Beyond” and ...

Grow Beyond

Second Round of
Globalization

Build Foundations for Growth

Build foundations for growth of AGC Group, looking at mid- and long-term structural changes in the global market

Delivering
Technology Solutions for
Climate Change

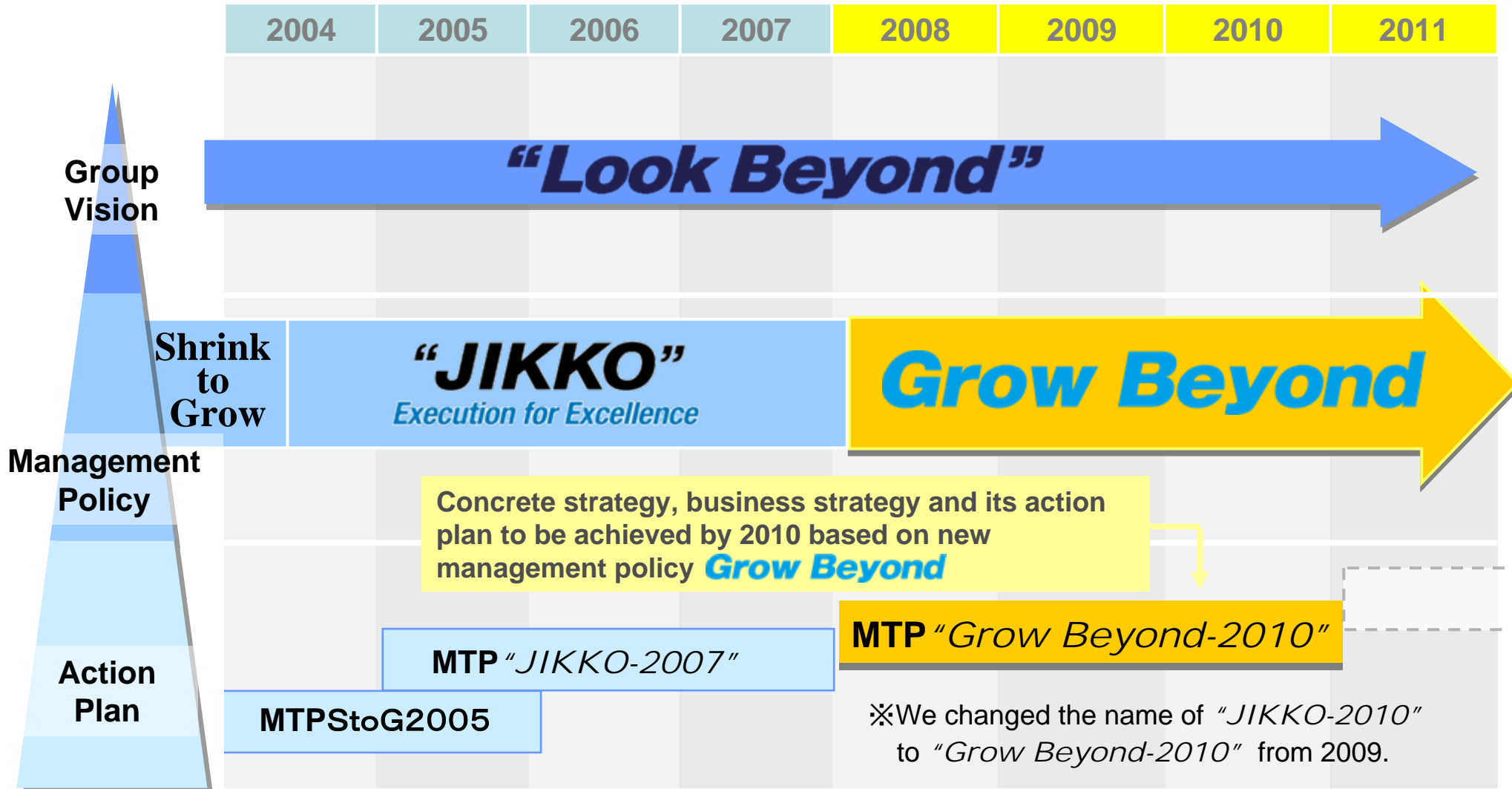
Glass-technology-driven
Company

Embed the **“JIKKO”** mindset as AGC Group’s DNA

Our People are Our Strength –Realize full potential of our people-

“Grow Beyond-2010” の位置づけ

Position of “Grow Beyond-2010”



“Grow Beyond-2010” の基本コンセプト

Basic Concept of *“Grow Beyond-2010”*

I. Build Foundations for Growth

Second Round of Globalization

Delivering Technology Solutions for Climate Change

Glass-technology-driven Company

II. Enhance Business Strength & Competitiveness

Focus on enhancement of quality

現下の経済情勢を踏まえた“Grow Beyond-2010”の修正

Revision of “Grow Beyond-2010” Based on the Current Economic Circumstances

1. Additional Concept

Add Respond to Sudden Change of Business Environment as the third concept while we steadily perform the task for
I . Build Foundation for Growth and
II . Enhance Business Strength & Competitiveness.

2. Review of the target of MTP

Reviewing the plans and the financial target figures of ROE and OP margin based on the current economic circumstances.

(to be announced as soon as the plans and figures are fixed)

“Grow Beyond-2010” の基本コンセプト

Basic Concept of *“Grow Beyond-2010”*

I. Build Foundations for Growth

II. Enhance Business Strength & Competitiveness

III. Respond to Sudden Change of Business Environment

成長基盤構築のための主要課題

Priority Issues to Build Foundation for Growth

Promote Solar Business as the Whole AGC Group

Correspond to Global Warming Issue

Second Round of Globalization

Roll out Cross-sectional Measures among In-house Companies
for Glass-technology-driven Company

太陽電池ビジネスの全社的推進(1)

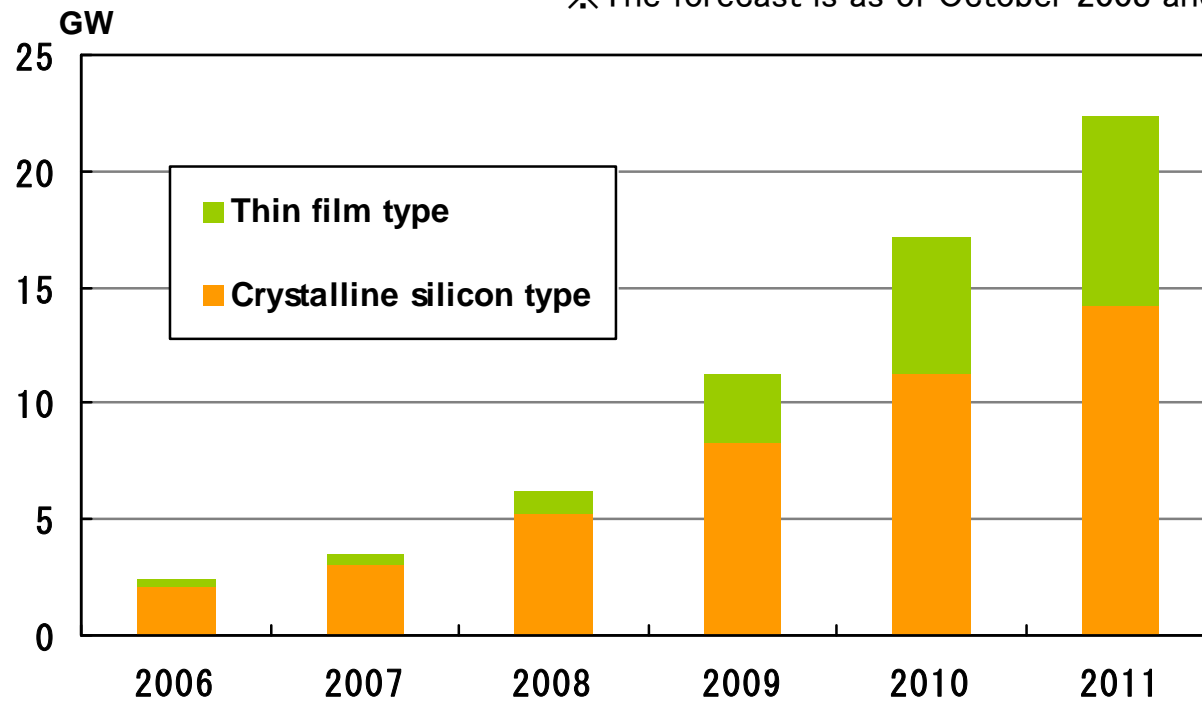
Promote Solar Business as the Whole AGC Group (1)



◆ Expect the market of solar modules continue to grow

Production of Solar Modules

※The forecast is as of October 2008 and now reviewed



Thin film type	0.2	0.4	1.0	2.9	5.9	8.2
Crystalline silicon type	2.1	3.1	5.2	8.3	11.3	14.2


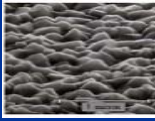



Unit: GW

太陽電池ビジネスの全社的推進(2)

Promote Solar Business as the Whole AGC Group (2)

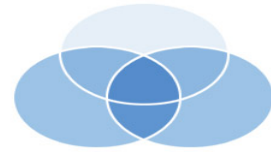


◆ Contribute to various types of Solar cells with AGC Group's technology

		Crystalline silicon type	Thin film type (a-Si)	Thin film type (CdTe)	Thin film type (CIGS)
Glass	PV cover	Patterned Glass 			Patterned Glass 
	Glass substrate		TCO(Transparent Conductive Oxide) Glass Substrate 		Soda-lime Glass 
Chemicals	Front cover film		Fluorine resin film 	※Osaka Sangyo University's OSU model S' solar car	
	Backing sheet	Fluorine resin film 			
E&E/Ceramics	Electrode	Powder glass /Glass paste for Ag, AL paste 	Sputter target for back electrode 		Sputter target for front electrode 
	Process material	SiC components 			

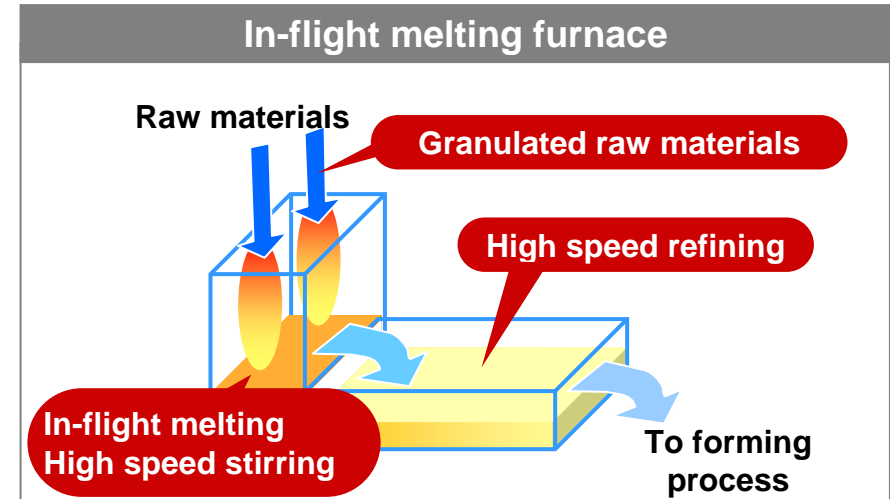
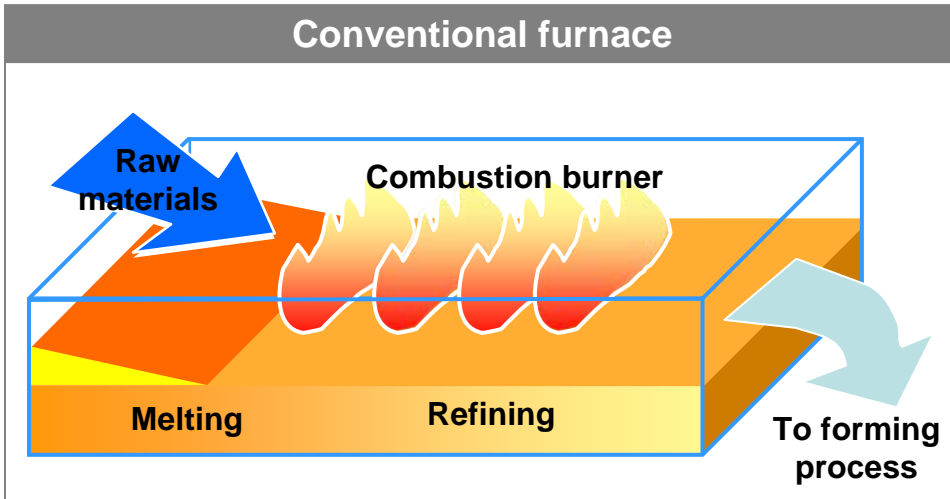
地球温暖化問題への対応(1)

Correspond to Global Warming Issue (1)



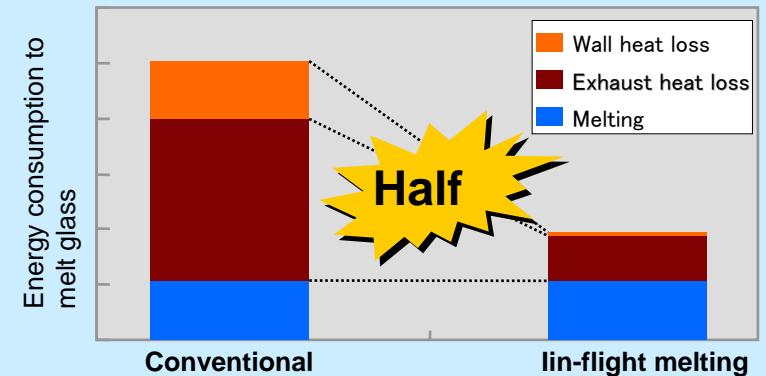
-Technology of reducing CO₂ emissions in the glass production process-

In-Flight Melting Technology



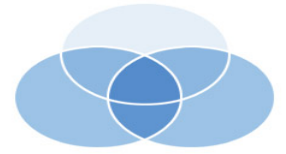
Energy consumption for glass melting could be reduced by more than half

- Extremely small-scale furnace
- Drastically shorter time for melting & refining (within a second for in-flight melting several hours for homogenizing & refining)



地球温暖化問題への対応(2)

Correspond to Global Warming Issue (2)

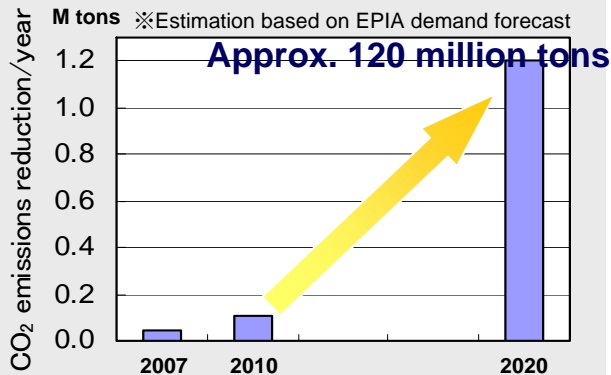


-Technologies of reducing CO₂ emissions in business and products-

- ◆ In new growth areas, such as solar cells, insulated windows, weight reduced glass for automobile etc.
- ◆ Expand our chemical business, including GHG containment, decomposition and removal technology, high-insulation material, etc.

Solar cells

Worldwide reduction of CO₂ emissions by introducing solar cells



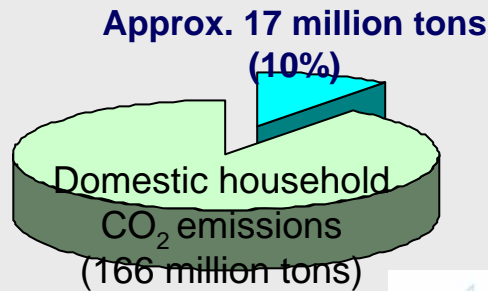
EPIA demand forecast	2007	2010	2020
	9.16	23.5	244.5

(Unit:GW as of September 2008)

Forecast reduction of CO₂ approx 120 million tons in worldwide by 2020

Ecoglass

Reduction of CO₂ emissions by Ecoglass in Japan



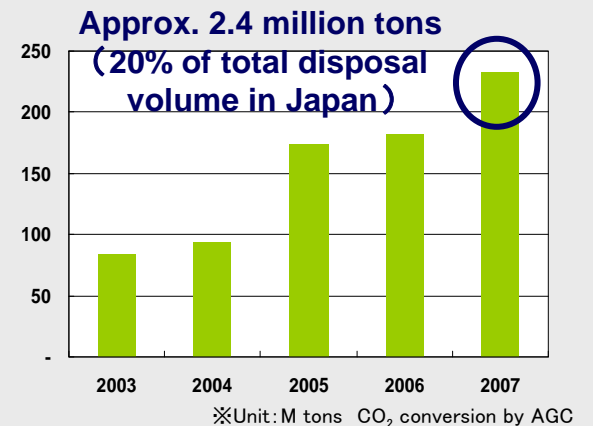
In case Ecoglass are attached in all of the residences in Japan, volume of CO₂ emissions of households will be reduced by 10%

Data: Flat glass manufactures associations of Japan



GHG containment, decomposition and removal technology

The volume of GHG containment, decomposition, and removal by AGC in Japan (Conversion to CO₂ volume)



Expand disposal by combining chemicals and ceramics technologies

第2のグローバル化

Second Round of Globalization



◆ Expand into the new growth regions and energy-rich regions

- Expand to fast-growing markets such as BRICs
- Reinforce Shanghai base

◆ Reinforce global management skills and organizational

●...exist local operations

capabilities

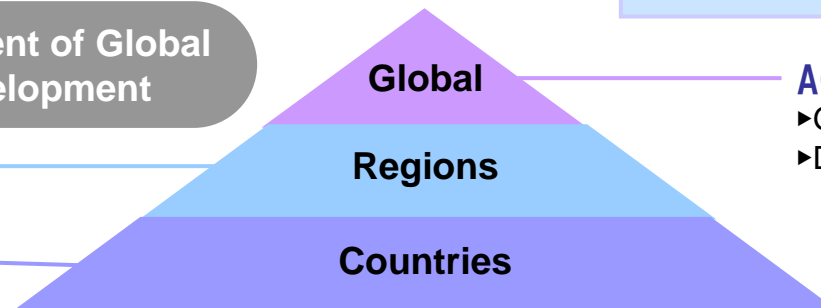
- Business strategy
- Technology strategy/R&D
- Strategy for securing natural resources
- IT strategy
- Intellectual property strategy
- Human resources

	Japan/Asia			North America	Europe	Russia, Middle East, South America, etc.
	Japan	Asia	China			
Flat Glass	●	●	●	●	●
Automotive glass	●	●	●	●	●
Display	●	●	●		
Chemicals	●	●	●	●	●
E&E	●	●	●	●	
Ceramics	●	●	●		

Expansion and Enhancement of Global Human Resources Development

AGC University

AGC Management College



Global

Regions

Countries

AGC Institute/

▶Global Leadership Session

▶Dynamic Leadership Session

ガラス技術立社のためのカンパニー横断的施策展開

Roll out cross-sectional measures among In-house Companies for Glass-technology-driven Company

◆ Pursuing synergy throughout the Group



Second Round of Globalization

- Share the Technological Strategy Globally
- Establish the Global Network (IP, Engineering, R&D, HR Management)

Delivering Technology Solutions for Climate Change

- Maximizing solar cell components businesses
- Accelerating development of Eco products

Glass-technology-driven Company

- New glass composition for higher functionality
- Development of high quality product through overall processes
- Finalization of new generation manufacturing process development (in-flight melting, etc.)
- Improvement of production technology with our group comprehensive strength, chemical and ceramics technologies

持続的な業績成長のために

For Sustainable Growth

**Sustainable
growth**

Comprehensive strength of glass, chemical, and ceramics technologies

Well balanced Business and region portfolio

**Build Foundations
for Growth**

“Grow Beyond-2010” の基本コンセプト

Basic Concept of *“Grow Beyond-2010”*

I. Build Foundations for growth

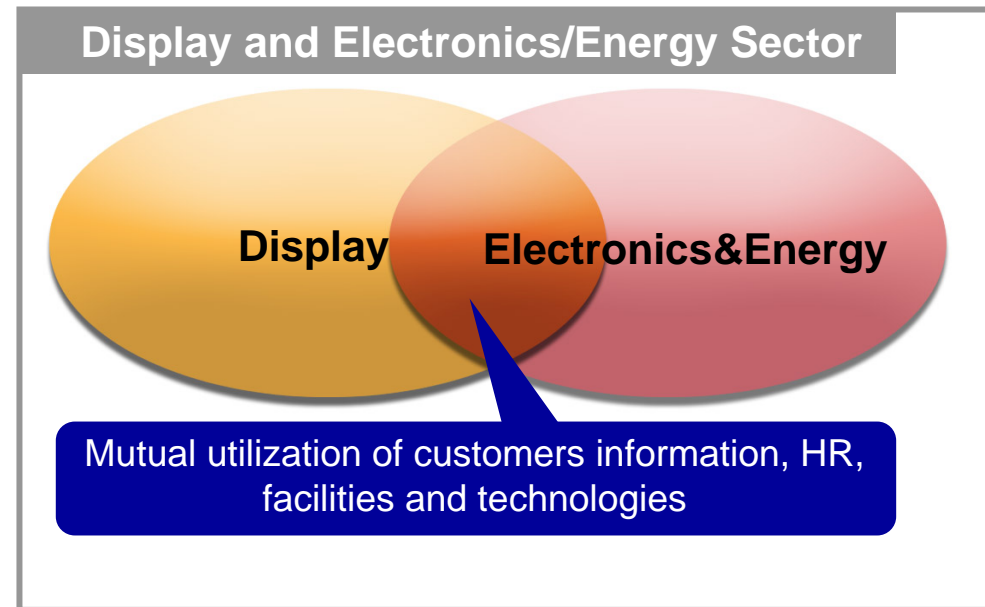
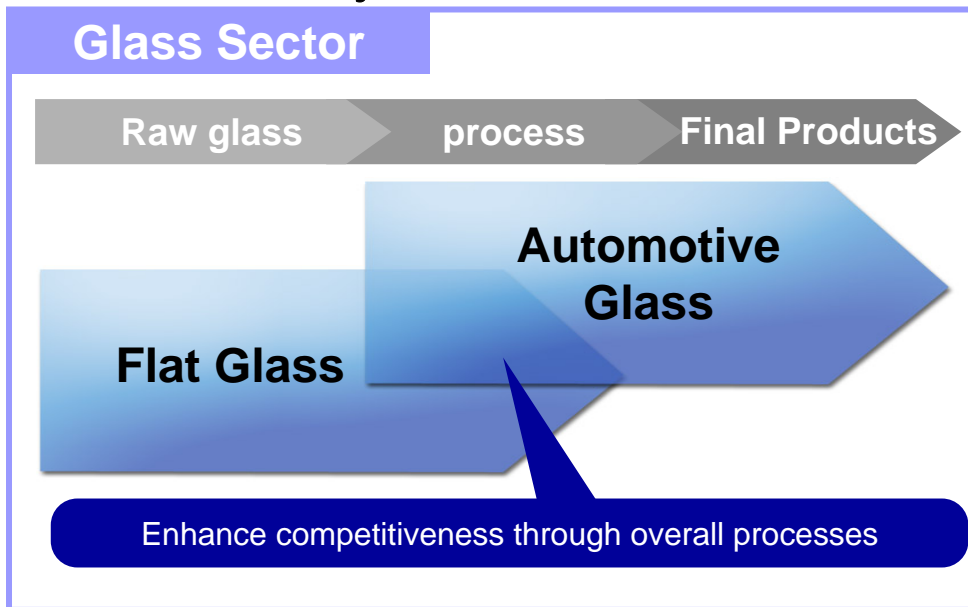
II. Enhance Business Strength & Competitiveness

III. Respond to Sudden Change of Business Environment

事業体質と競争力の強化

Enhance Business Strength & Competitiveness

- ◆ Raise yield significantly by enhancing production technology
- ◆ Improve utilization of assets by reducing inventory and well considered investments.
- ◆ Enhance HR development
- ◆ Improve productivity and efficiency of business management by introducing Sector system.



“Grow Beyond-2010” の基本コンセプト

Basic Concept of *“Grow Beyond-2010”*

I. Build Foundations for growth

II. Enhance Business Strength & Competitiveness

III. Respond to Sudden Change of Business Environment

2009年は「力を蓄える年」

Gather Our Strengths in 2009

1. World wide recession takes a while till recovery.
2. Weak demand won't last forever and it will definitely recover.
3. The market structure will change after recovery.
4. We “gather our strength” now, preparing for the recovered market.
 - ✓ Improve the abilities to collect and analyze market information
 - ✓ Taking into account management resources necessary in the medium-to-long term, spare manpower & facilities in short-term will be utilized to new technologies, development of mass production for new products and HR development

⇒the current economic environment is a chance to

“Build Foundations for Growth”

2009年度の取組み

Action Plan in 2009

- ◆ Further enhance business strength and operate business with flexibility and sharpness

Keep proactive to changes of business environment

implement essential measures in a mid-and-long-term perspective

事業環境変化に応じた機動的な対応(1)

Appropriate and Flexible Response to Changes of Business Environment (1)

- ◆ Implementing drastic production reduce and suspending lines to deal with the demand in almost all regions and products

Business	The production status as of Feb 6, 2009
Flat glass	Reducing production 20% all over the world, by regular repairs, long suspension, and postponing the start up of the new facility.
Automotive glass	Reducing production to about half all over the world.
Display	Implementing a production adjustment by regular repairs and postponing the start up of the new facilities.
Chemicals	Reducing production according to each products demand.

事業環境変化に応じた機動的な対応(2)

Appropriate and Flexible Response to Changes of Business Environment (2)

◆ CAPEX limited to the extent of annual depreciation amount

Focus on -strategic investments such as solar business *and*,
-repairs and maintenance.

Suspend the start up of -furnaces of glass substrates for TFT LCDs *and*,
-a furnace of flat glass in Russia.

◆ Enhanced cash flow management

Manage working capital including inventory reduction.
Keep liquidity on hand.

◆ Cost reductions

Reduce selling and general administrative expenses (review all items)
Cut remunerations of executive officers.
Reallocate human resources efficiently.

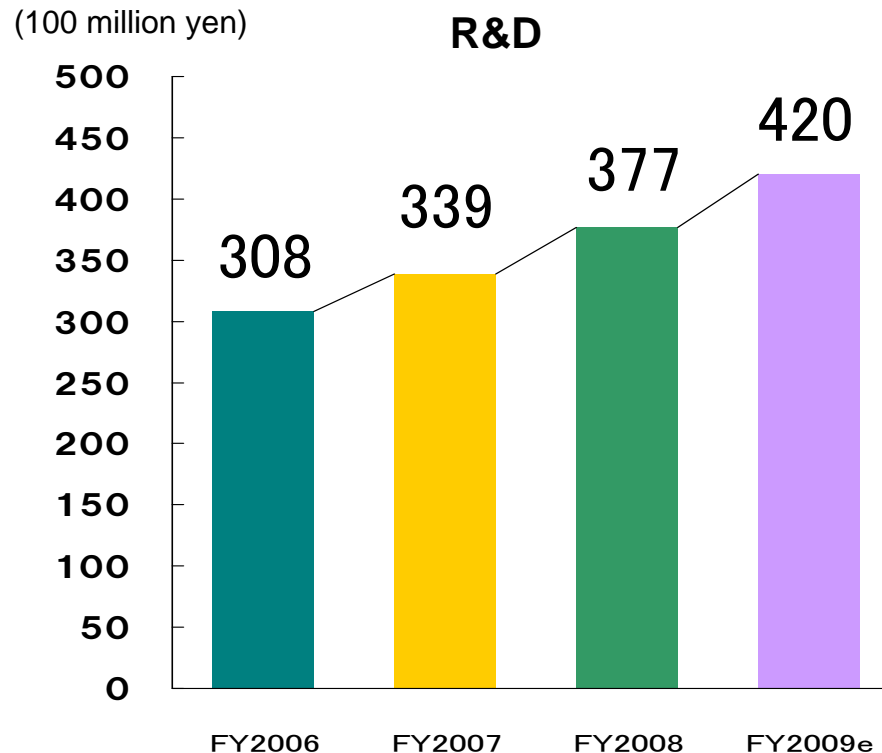
中長期的観点から必要不可欠な施策の着実な実行

Steadily Implement Essential Measures from Mid-to-long Term Viewpoint

◆ Continue investments for building foundations for growth

Maintain R&D expenses despite restrictive budget.

Accelerate development of technologies and products such as solar cell related, in order to address global warming issues.



2009年度業績見通し

Outlook of FY2009

2009年第1四半期業績見通しのポイント(1)

Business Overview for FY2009.1Q (1)

- ◆ Sales and O/P in all businesses are expected to decrease due to the declined demand influenced by worsening economic environment.

Outlook of FY09 1Q business

Sales: approx 240 billion yen O/P: approx -15 billion yen

[Glass]

- ◆ The demand of flat glass and automotive glass will deeply decrease in Japan, Europe, North America and Asia.
- ◆ The flat glass market in Russia will rapidly worsen.
- ◆ The cost of raw materials and fuels are gradually decreasing, however the effect will be negate by the relative increase of fixed cost due to sluggish operations.

2009年第1四半期業績見通しのポイント(2)

Business Overview for FY2009.1Q (2)

[Electronics & Display]

- ◆ Although the demand decline of glass substrates for TFT LCDs will bottom, it will remain weak.
- ◆ The demand of glass substrates for PDPs and electronics materials will also remain weak.

[Chemicals]

- ◆ The demand of overall products will worsen.
- ◆ The cost of raw materials and fuels are gradually dropping, however this will impact on our business result lightly.

2009年通期業績見通しのポイント(1)

Business Overview for FY2009 (1)

[Glass]

- ◆ Shipments of flat glass and automotive glass will remain flat throughout the year in Japan, Europe, North America and Asia.
- ◆ Although the growth rate of glass for solar cells will slow down, its shipment will exceed those of the previous year.

2009年通期業績見通しのポイント(2)

Business Overview for FY2009 (2)

[Electronics & Display]

- ◆ The shipment of glass substrates for FPDs will gradually recover from the second quarter.
- ◆ The demand of overall electronics materials will remain weak.

[Chemicals]

- ◆ The demand of overall products will remain weak.
- ✓ The Group will review the production capacities, focusing on the Glass operations, carry out structural reform and post extraordinary losses of 60 billion yen.

通期主要項目見通し

FY2009 Estimates

億円(100million yen)

		FY2008	FY2009e	増減 Change	% 増減 Change %
売上高	Net sales	14,443	11,000	-3,443	-23.8%
営業利益	Operating profit	1,540	300	-1,240	-80.5%
経常利益	Ordinary profit	1,098	200	-898	-81.8%
税引前利益	Profit before tax	701	-400	-1,101	-
当期純利益	Net profit	392	-420	-812	-

売上高営業利益率	Operating profit margin	10.7%	2.7%
ROE ※	Return on equity	4.7%	-5.7%
為替レート	JPY/USD	102.8	90
FOREX	JPY/EUR	152.1	120
原油	Crude Oil \$/BBL (Dubai)	93.6	50
一株当たり配当金	Dividend (Yen/Share)	24	16

※FY2009eのROEは、FY2008末時点の株主資本等を使用

ROE of FY2009e is calculated by using the Shareholders' equity, etc. as of Dec.31, 2008.

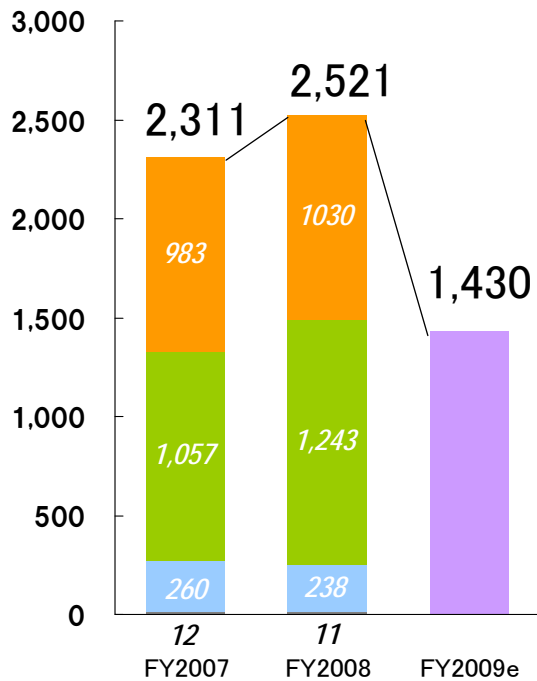
設備投資・減価償却費・研究開発費

CAPEX / Depreciation / R&D

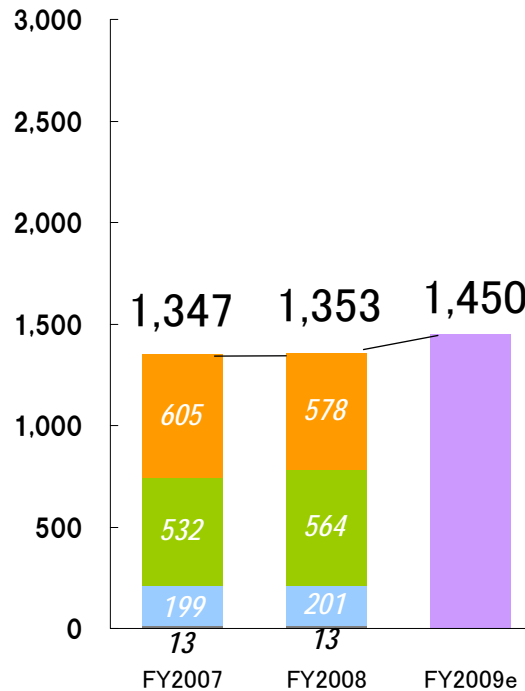
- ◆ Limit CAPEX to the extent of annual depreciation amount, maintain R&D expenses.

億円 (100million yen)

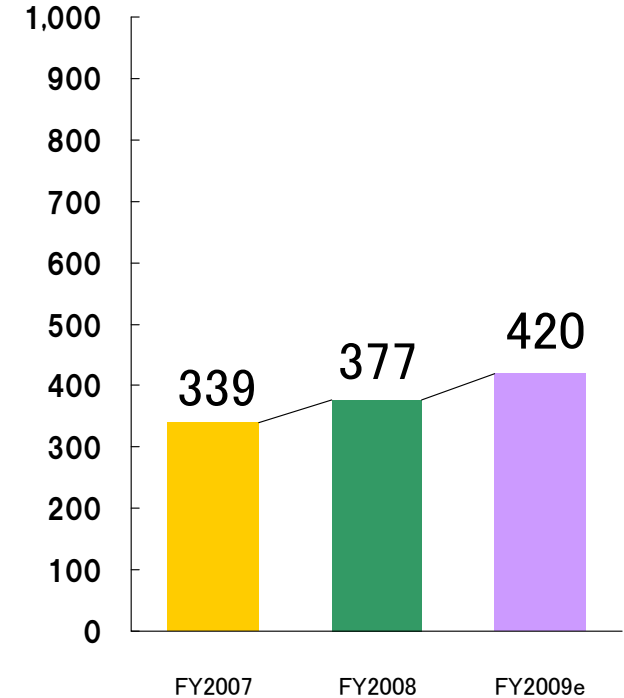
設備投資 CAPEX



減価償却費 Depreciation



研究開発費 R&D



■ ガラス Glass
■ 電子・ディスプレイ Electronics & Display
■ 化学 Chemicals
■ その他 Others

付属資料

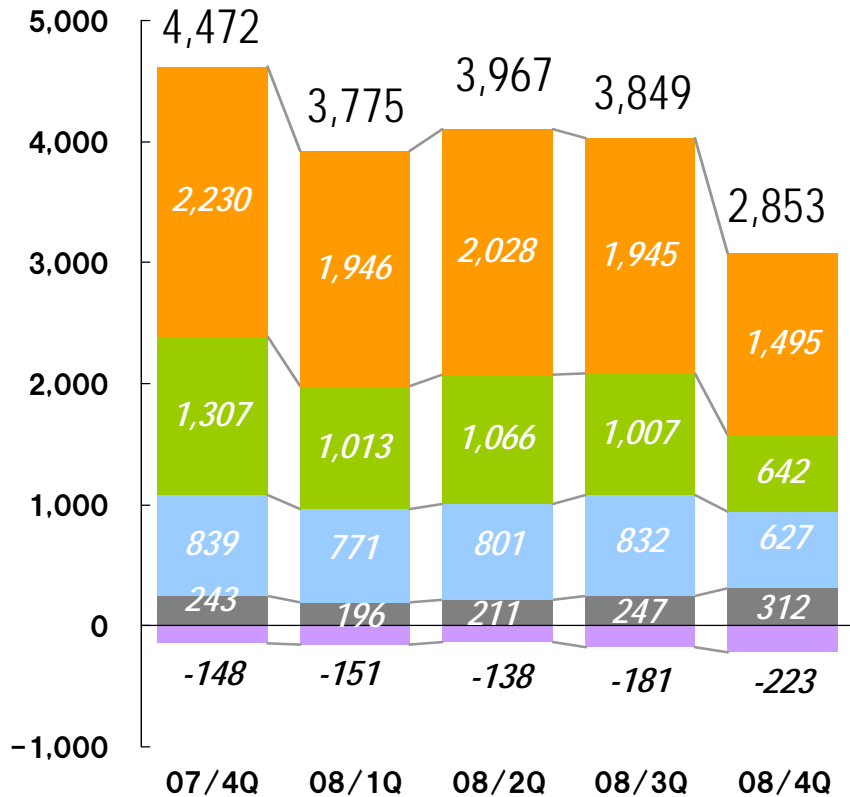
Appendix

セグメント別業績推移

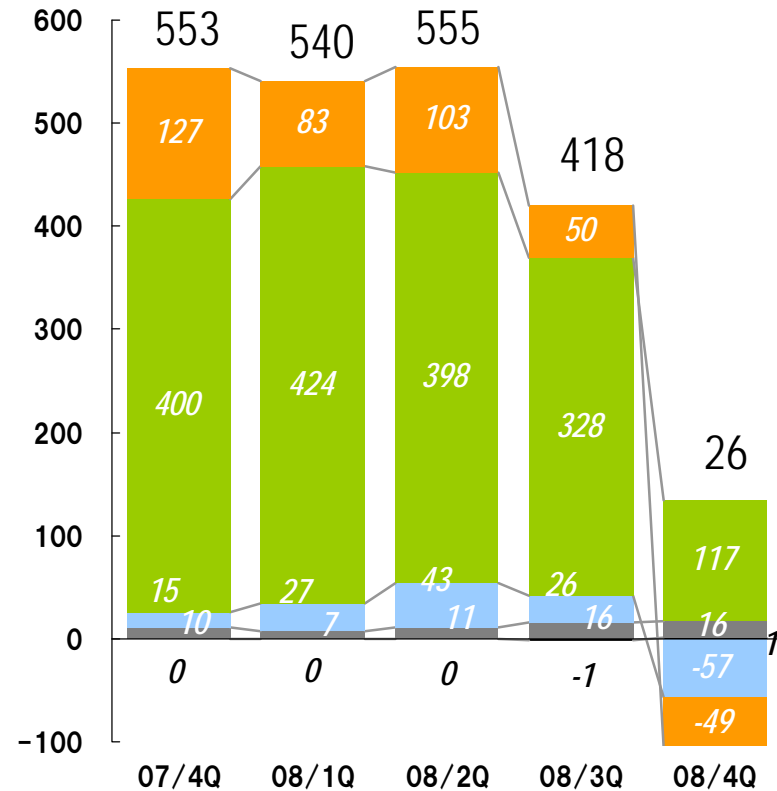
Performance Trend by Business Segment

億円(100million yen)

売上高 Sales



営業利益 Operating Profit



■ ガラス Glass
 ■ 電子・ディスプレイ Electronics & Display
 ■ 化学 Chemicals
 ■ その他 Others
 ■ 消去 Elimination

* 中間期実績から1Q実績を差し引いたものを2Qとして、1-3Q実績から中間期実績を差し引いたものを3Qとして、また通期実績から1-3Q実績を差し引いたものを4Qとして、参考記載しています。
 *For your reference, 2Q represents "1Q results" subtracted from "1H results", 3Q represents "1H results" subtracted from "9 months results", and 4Q represents "FY results" subtracted from "9 months results".

財務指標

Financial Index

				03/3	03/12*	04/12	05/12	06/12	07/12	08/12
売上高	Sales	億円	100 Mil Yen	12,950	12,430	14,757	15,267	16,205	16,812	14,443
営業利益	Operating Profit	億円	100 Mil Yen	675	832	1,394	1,182	1,366	1,975	1,540
当期純利益	Net Income	億円	100 Mil Yen	-39	536	783	600	450	696	392
株主資本利益率(ROE)	Return on Equity	%	%	-0.7%	9.1%	11.8%	7.7%	5.1%	7.5%	4.7%
総資産利益率(ROA)	Return on Assets	%	%	3.7%	4.6%	7.6%	6.0%	6.5%	9.3%	7.8%
投資資本利益率(ROI)	Return on Investment	%	%	5.6%	7.2%	11.9%	9.5%	10.0%	13.8%	11.5%
株主資本比率	Equity Ratio	%	%	31%	35%	37%	41%	42%	45%	40%
D/Eレシオ	D/E Ratio	倍	times	1.10	0.78	0.64	0.56	0.58	0.52	0.77
営業CF/有利子負債	CF from Operating Activities/Interest-bearing debt	倍	times	0.26	0.26	0.44	0.35	0.30	0.46	0.34
EBITDA	EBITDA	億円	100 Mil Yen	1,765	1,831	2,720	2,409	2,625	3,322	2,893

*03/12は、決算日変更のため9ヶ月変則決算

※Nine months of April 2003 through December 2003, respectively

予測に関する注意事項

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