



FOR IMMEDIATE RELEASE

AGC to Build Furnace to Boost Production of Dragontrail™

Invests 20 billion yen to meet soaring demand for cover glass

Tokyo, February 09, 2011 - AGC announced today it is investing 20 billion yen (about 240 million USD) in a new float glass furnace in Japan to produce specialty glass for chemical strengthening, including newly developed Dragontrail™, to meet the rapidly growing demand worldwide for cover glass used in mobile devices. Operation is expected to begin in the latter half of this year.

The furnace, specialized in producing glass for electronic applications, will employ the float process for high-efficiency production and will fabricate glass of varying thicknesses. With the contribution of the new facility, AGC expects to achieve and maintain a 30% share of the expanding global market for chemically strengthened glass.

The end-user market for mobile devices is surging, with annual sales of smartphones and tablet PCs expected to average roughly 40% and 90% growth, respectively, between 2010 and 2013 according to DisplaySearch, a leading global market research firm. The majority of these devices use touchscreen panels that require a tough cover material to protect their surfaces, which is spurring demand for chemically strengthened glass.

Dragontrail, which launched in January, is an exceptionally strong and highly scratch-resistant glass material once undergoing chemical processing for further strengthening. With its new furnace at the Takasago Plant in Hyogo Prefecture, AGC now looks forward to flexibly expanding its supply in response to the fast-expanding market for Dragontrail. The furnace also gives AGC the capability to produce evolved versions of specialty glass for chemical strengthening in the future by incorporating its extensive technical expertise in specialty glass for electronic applications.

As AGC works to build new foundations for growth under its **Grow Beyond** strategy, the company is determined to continue developing Dragontrail and other specialty glass for chemical strengthening as a key pillar of its long-term sustainability.

About the AGC Group

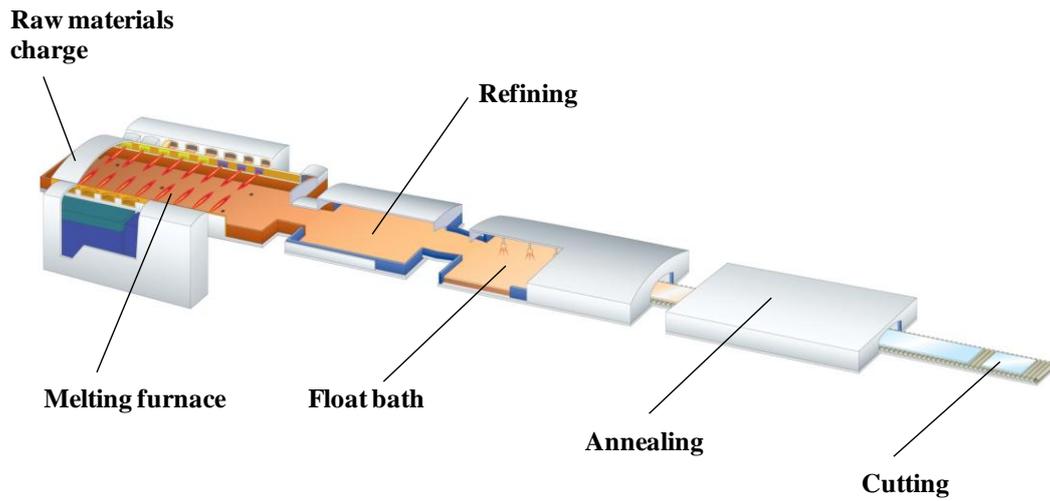
The AGC Group, with Tokyo-based Asahi Glass Co., Ltd. at its core, is a world-leading supplier of flat, automotive and display glass, chemicals and other high-tech materials and components. Drawing on more than a century of technical innovation, the AGC Group has developed world-class expertise in fields including glass, fluorine chemistry and ceramics technologies. The group employs some 47,000 people worldwide and generates annual sales of more than 12 billion USD through business in about 30 countries. For more information, please visit www.agc-group.com/en.

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Attachment

Diagram of the new furnace



The float process enables efficient manufacturing of large, flat sheets of glass by floating liquid glass on molten tin.