



**FOR IMMEDIATE RELEASE**

**AGC to Establish a New Production and Sales Site for Cathode Materials for Lithium-ion Batteries in China — Accelerating the Business Development of Battery Materials that will Make a Huge Contribution to the Achievement of an Energy-Recycling Society—**

**Tokyo, December 15, 2011**—AGC (Asahi Glass Co., Ltd.; Head Office: Tokyo; President & CEO: Kazuhiko Ishimura) announced today that it will establish a new production and sales site in China for cathode materials<sup>1</sup> for the lithium-ion batteries (hereafter, “LiB”) used in mobile devices and electronic vehicles, as part of its enhanced efforts in the LiB materials business. AGC Seimi Chemical Co., Ltd. (hereafter, “AGC Seimi”), a subsidiary of the Company, will convert a Chinese LiB cathode materials manufacturer<sup>2</sup> into its subsidiary, with production scheduled to start around April 2012. This will approximately double the current production capacity of the AGC Group for cathode materials.

Following the rapid increase in the global demand for LiB, the market for cathode materials, which are mainly for consumer use, grew to 40,000 tons per year in 2010. The market is expected to expand to about 300,000 tons per year in 2020 due to a dramatic increase in the demand for automotive use in the future.

The AGC Group ventured into the LiB cathode materials business in the late 1990s and has been producing them in Japan to date. It has decided to reinforce the production and sales system for LiB cathode materials to accommodate the expected growth in the market. The new subsidiary of AGC Seimi, profiled below, will be the AGC Group’s first overseas production and sales site for LiB cathode materials.

<Profile of new company>

1. Company name: Seimi Tongda Lithium Energy Co., Ltd.
2. Location: Wuxi City, Jiangsu Province, People’s Republic of China
3. Capital: 150 million RMB
4. Shareholder: AGC Seimi: 51%; Jiangsu Cobalt Nickel Metal Co., Ltd. (hereafter, “KLK”): 41%; NAGASE&CO., Ltd.: 5%; Shanghai Sunny International Trading Co., Ltd.: 3%
5. Established: Scheduled for 1Q of Fiscal 2012 \*The operation will start as soon as the approval of the Chinese authorities concerned is obtained.
6. Business: Production and sale of cathode materials for LiB
7. Number of employees: Approximately 100

In order to contribute to the achievement of an energy-saving and comfortable life, the AGC Group is proactively working on the development of next-generation automotive cathode materials and other relevant materials in addition to the production and sale of current cathode materials, as LiBs are essential to realize an energy-recycling society.

- Notes: 1. Electrode materials on the cathode side used for LiB  
2. Wuxi Tongda New Energy Technology Co., Ltd. (KLK's subsidiary)

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<Reference>

1. AGC Group's production sites for cathode materials for LiB
  - Japan: AGC Seimi's Chigasaki Plant and Kashima Plant
  - China: Seimi Tongda Lithium Energy Co., Ltd. (new company)
  
2. Profile of AGC Seimi
  - (1) Company name: AGC Seimi Chemical Co., Ltd.
  - (2) Location: Chigasaki City, Kanagawa (Head Office)
  - (3) Capital: 1 billion yen
  - (4) Shareholder: AGC: 100%
  - (5) Established: 1947
  - (6) Business: Production and sale of battery materials, fluorochemical functional products, liquid crystal materials, and CMP slurry
  - (7) Number of employees: 341 (as of November 30, 2011)
  
3. Profile of KLK
  - (1) Company name: Jiangsu Cobalt Nickel Metal Co., Ltd.
  - (2) Location: Economic Development Zone of Taixing City, Jiangsu Province, People's Republic of China
  - (3) Capital: 120 million RMB
  - (4) Shareholder: Wuxi Tongda Import and Export Trade Co., Ltd.: 33.8%; Tongda International Limited: 25.4%; Shanghai Fanda Trade Co., Ltd.: 8.7%; Others: 32.1%
  - (5) Established: 2003
  - (6) Business: Production and sale of cobalt cathodes, cobalt chemicals, and copper cathodes
  - (7) Number of employees: 506 (as of November 30, 2011)