

May 10, 2012
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 (Code Number: 5201; TSE 1st section)
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Consolidated Financial Results for the Three Months ended March 31, 2012

(Fractions less than one million yen are rounded off.)

1. Financial results for the three months ended March 31, 2012 (January 1 through March 31, 2012)

(1) Consolidated operating results

	For the three months ended March 31, 2012		For the three months ended March 31, 2011	
	Millions of yen	%	Millions of yen	%
Net sales	285,376	(7.5)	308,591	(2.1)
Operating income	24,182	(55.3)	54,135	0.4
Ordinary income	23,620	(59.3)	57,974	3.4
Net income	17,749	(53.8)	38,439	(3.3)
Net income per share - basic (yen)	15.36		32.94	
Net income per share - fully diluted (yen)	14.22		30.53	

Note: Percentage (%) figures show changes from the previous year's corresponding period.

Reference: Comprehensive income for - End of FY2012 first quarter; 89,223 million yen (47.3%)
 - End of FY2011 first quarter; 60,590 million yen (- %)

(2) Consolidated financial position

	FY2012 first quarter (as of March 31, 2012)	FY2011 (as of December 31, 2011)
Total assets (Millions of yen)	1,865,870	1,691,556
Total net assets (Millions of yen)	924,352	850,460
Equity ratio (%)	47.1	47.7

Reference: Total Shareholder's Equity at -End of FY2012 first quarter: 878,763 million yen
 -End of FY2011: 807,432 million yen

2. Dividends

(Unit: yen)

	FY2011	FY2012	FY2012 (forecast)
End of first quarter	—	—	—
End of second quarter	13.00	—	13.00
End of third quarter	—	—	—
End of fiscal year	13.00	—	13.00
Total	26.00	—	26.00

Note: Revision of the forecast during this quarter: No

3. Forecast for FY2012 (January 1 through December 31, 2012)

	First half		Full year	
	Millions of yen	%	Millions of yen	%
Net sales	600,000	(2.2)	1,250,000	2.9
Operating income	60,000	(39.6)	140,000	(15.5)
Ordinary income	60,000	(41.7)	135,000	(19.0)
Net income	35,000	(38.6)	80,000	(16.0)
Net income per share (yen)	30.28		69.21	

Note: Revision of the forecast for FY2012 consolidated operating results during this quarter: No

4. Others

- (1) Changes in significant subsidiaries during the period: No
- (2) Adoption of special accounting methods for preparing quarterly consolidated financial statements: Yes
(Note) For details, refer to "2.Summary Information (Others)" in Attached Documents, beginning on page 5.
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
- i. Changes resulting from revisions to accounting standards: No
 - ii. Changes other than "i" above: No
 - iii. Changes in accounting estimates: No
 - iv. Retrospective restatements: No
- (4) Number of shares issued (common stock)
- i. Number of shares issued (including treasury stock) at the end of the period
 - FY2012 first quarter (as of March 31, 2012): 1,186,705,905
 - FY2011 (as of December 31, 2011): 1,186,705,905
 - ii. Number of treasury stock at the end of the period
 - FY2012 first quarter (as of March 31, 2012): 30,773,268
 - FY2011 (as of December 31, 2011): 30,766,499
 - iii. Average number of shares issued during the period
 - For the three months ended March 31, 2012: 1,155,936,143
 - For the three months ended March 31, 2011: 1,166,950,296

*Appropriate Use of Forecast and Other Information and Other Matters

The above-mentioned forecast reflects management's assumptions on the basis of currently available information, as such, contain risks and uncertainties. For matters concerning the above forecast, please see "(3) Qualitative Information Regarding the Forecast for Consolidated Operating Results" in "1. Qualitative Information Regarding Financial Statements" in Attached Documents on page 4.

*Supplementary Materials for the Quarterly Financial Results

Supplementary material is available on our website.

(Attached Documents)

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1. Qualitative Information Regarding Financial Statements

(1) Qualitative Information Regarding Consolidated Operating Results

(i) Overview of consolidated business results for the three months ended March 31, 2012

During the three months ended March 31, 2012, the global economic environment surrounding the Company and its consolidated subsidiaries (hereinafter collectively referred to as the “AGC Group” or simply as the “Group”) is characterized by a gradual recovery, but the pace of economic recovery was weakened by a slowdown in the expansion of exports and domestic demand among fast-growing countries, in addition to the impact of fiscal and financial problems in Europe.

In Japan, the economy gradually picked up, driven by the recovery of consumer spending which had been sluggish since the Great East Japan Earthquake. In Asia, economic conditions were favorable backed by increases in exports and consumer spending. In the United States, while housing starts remained sluggish, consumer spending supported its moderate economic recovery. Meanwhile, the European economy continued to decelerate due to continued high unemployment rates and declining consumer spending, coupled with tight fiscal policies implemented in each country.

Under such a business environment, the AGC Group’s shipments in the glass and chemicals businesses grew mainly in Japan and Asia; however, the Group was also affected by price decline in electronics-related products and price increases in fuels and raw materials. As a result, the Group posted net sales of 285.4 billion yen, a 23.2 billion yen or 7.5% decrease from the corresponding period of the previous year. Operating income decreased by 30.0 billion yen or 55.3 % year-on-year to 24.2 billion yen, and ordinary income decreased by 34.4 billion yen or 59.3% to 23.6 billion yen. Net income was 17.7 billion yen, a 20.7 billion yen or 53.8% decrease on a year-on-year basis.

(ii) Overview by reportable segment for the three months ended March 31, 2012

- Glass

In the flat glass business, shipments of architectural glass in Japan increased from the same period of the previous fiscal year, which was affected by the Great East Japan Earthquake. Shipments in Asia also remained strong. Meanwhile, shipments in Europe and North America declined from the same period of the previous fiscal year due to the effects of deteriorating economic conditions in Europe, particularly Western Europe, and continued sluggish demand in North America. Shipments of glass for solar power systems decreased due to such as slowing market growth. As a result, sales from the flat glass business which consists of architectural glass and glass for solar power systems declined from the same period of the previous fiscal year.

In the automotive glass business, the AGC Group’s shipments in Europe remained favorable despite a year-to-year decrease in auto production in the region due to the effects of deteriorating economic conditions. Shipments in Japan, Asia, and North America increased backed by strong auto production in each region, leading to an increase in sales from the same period of the previous fiscal year.

As a result, net sales from the Glass Operations for the three months ended March 31, 2012 were 139.2 billion yen, up 2.1 billion yen or 1.5% increase from the same period of the previous fiscal year, and operating income was 0.8 billion yen, down 5.7 billion yen or 88.2% decrease from the same period of the previous fiscal year.

- Electronics

Shipments of glass substrates for display devices declined from the same period of the previous fiscal year albeit a recovery trend from the fourth quarter. Sales also fell compared to the results for the same period of the previous fiscal year due to further across-the-board drops of product prices.

With regard to electronic materials, shipments of optoelectronics materials for digital cameras increased from the same period of the previous fiscal year. However, shipments of semiconductor-related products decreased from the same period of the previous fiscal year due to sluggish demand, leading to a year-to-year decrease of sales in electronic materials as a whole.

As a result, net sales from the Electronics Operations for the three months ended March 31, 2012 were 78.0 billion yen, down 28.3 billion yen or 26.6% decrease from the same period of the previous fiscal year, and operating income was 18.0 billion yen, down 24.6 billion yen or 57.8% decrease from the same period of the previous fiscal year.

- Chemicals

Sales from chlor-alkali products and urethane materials increased from the same period of the previous fiscal year, supported by a recovery trend of shipments in Japan from the same period of the previous fiscal year, which was affected by the Great East Japan Earthquake, and strong shipments in Asia. In the category of fluorine products and specialty products, shipments of high-function fluorine resin, and pharmaceutical and agrochemical intermediaries and active ingredients remained buoyant, increasing sales from the same period of the previous fiscal year.

As a result, net sales from the Chemicals Operations for the three months ended March 31, 2012 were 62.8 billion yen, up 2.7 billion yen or 4.5% increase from the same period of the previous fiscal year, and operating income was 5.3 billion yen, up 0.6 billion yen or 12.4% increase from the same period of the previous fiscal year.

The following table shows major products in each reportable segment.

Reportable segment	Main products
Glass	Float flat glass, Figured glass, Polished wired glass, Low-E glass, Fabricated glass for architectural use(Heat Insulating/shielding glass, Safety glass, Fire-resistant glass, Security glass, etc.), Automotive tempered glass, Automotive laminated glass, Glass for solar power system, Fabricated glass for industrial use, Decorative glass, etc.
Electronics	Glass substrate for display devices, Specialty glass for display applications, Display related materials, Optical membranes, Optoelectronics materials, Synthetic quartz glass, Glass frit and paste, Materials for semiconductor manufacturing equipment, Lighting glass products, etc.
Chemicals	Raw materials for vinyl chloride polymer, Caustic soda, Urethane, Gases, Solvents, Fluorinated resins, Water and oil repellents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, Battery materials, etc.

In addition to the above products, the AGC Group also handles ceramics products, logistics/financial services, etc.

(2) Qualitative Information Regarding Consolidated Financial Position

- Total assets

Total assets were 1,865.9 billion yen as of the end of the first quarter under review, up 174.3 billion yen from the end of the previous fiscal year. This rise is mainly due to an increase in funds on hand and tangible fixed assets after the foreign currency translation with the weakening of the yen.

- Total liabilities

Total liabilities were 941.5 billion yen as of the end of the first quarter under review, up 100.4 billion yen from the end of the previous fiscal year. This rise is chiefly attributable to an increase in interest-bearing liabilities from borrowings in preparation for bond redemption.

- Total net assets

Total net assets were 924.4 billion yen as of the end of the first quarter under review, up 73.9 billion yen from the end of the previous fiscal year. This rise is primarily due to an increase in foreign currency translation adjustments on the weakened yen and an increase in unrealized gains on securities, net of tax caused by a rise in listed stocks prices.

(3) Qualitative Information Regarding the Forecast for Consolidated Operating Results

(Unit: billions of yen)

	Net Sales	Operating income	Ordinary income	Net income
Forecast for FY2012 announced on February 8, 2012 (A)	1,250.0	140.0	135.0	80.0
Actual result for FY 2011 (B) (January 1 through December 31, 2011)	1,214.7	165.7	166.7	95.3
(A - B) / B (%)	2.9	(15.5)	(19.0)	(16.0)

Note: Figures are rounded to the nearest 100 million yen.

The global economy as a whole is expected to maintain moderate growth in 2012, although the pace of growth will slow.

Given such an environment, shipments of architectural glass is expected to be strong in Japan and Asia, while recovery in shipments in North America is likely to remain moderate. There is concern that economic uncertainty might prolong the sluggish shipments in Europe. Meanwhile, shipments of automotive glass will increase year-on-year, as shipments affected by the Great East Japan Earthquake and flooding in Thailand in 2011 presumably return to normal levels and strong automobile demand in fast-growing markets are expected. Shipments of glass for solar power systems are expected to be bearish, considering the possibility of declines in installations of PV modules caused by contractions of scale or cancellations of installation-promotion plans by the governments of some countries.

Shipments of glass substrates for display devices are expected to remain on the recovery track that started in the fourth quarter. With regard to electronic materials, the market for semiconductor-related products is likely to recover in the latter half of the year. Shipments of optoelectronics materials for digital cameras will continue to be strong.

Shipments in the chemicals business are expected to be generally favorable.

Rising energy prices may possibly impact AGC group's overall profit and loss to a certain extent.

Taking into account the above factors, net sales of the AGC Group for the fiscal year ending December 31, 2012 are estimated to be 1,250.0 billion yen, a year-on-year increase of 35.3 billion yen or 2.9%, operating income to be 140.0 billion yen, down 25.7 billion yen or 15.5% from a year earlier, and ordinary income to be 135.0 billion yen, down 31.7 billion yen or 19.0% from the previous year. Net income is estimated to be 80.0 billion yen, down 15.4 billion yen or 16.0% from the previous year.

Average exchange rates assumed for the fiscal year ending December 31, 2012 are 75 yen to the U.S. dollar and 100 yen to the Euro.

[Important notes with regard to the forecast]

The above prospective results reflect the assumptions of the Group's management on the basis of currently available information and, as such, contain risks and uncertainties. For this reason, investors are advised not to base investment decisions solely on these prospective results. Please note that actual results may materially differ from the projection due to such various factors as business and market environment the Group is active in, currency exchange rate fluctuations, and others.

2. Summary Information (Others)

(1) Changes in significant subsidiaries during the period

Not applicable.

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statements

(Calculation of tax expense)

Tax expense is computed by multiplying the quarterly net income before income taxes and minority interests by a reasonably estimated effective tax rate, after applying tax effect accounting against net income before income taxes and minority interests for the fiscal year including the first quarter under review.

However, in case the use of such effective tax rate makes the computation of tax expense significantly unreasonable, then tax expense is calculated by multiplying the quarterly net income before income taxes and minority interests by the statutory effective tax rate after adjustment of the quarterly net income before income taxes and minority interests with significant differences other than temporary differences.

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

Not applicable.

(4) Additional Information

Effective from the first quarter under review, the Company adopted the "Accounting Standard for Accounting Changes and Error Corrections "(ASBJ Statement No. 24, December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24, December 4, 2009).

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: millions of yen)

	FY2011 (as of December 31, 2011)	FY2012 first quarter (as of March 31, 2012)
Current Assets	606,774	701,166
Cash on hand and in banks	98,789	101,682
Trade notes and accounts receivable	233,675	230,458
Marketable securities	25,000	74,000
Finished products	81,860	91,231
Work in process	42,541	46,866
Raw materials and supplies	69,922	75,548
Other current assets	59,977	86,374
Allowance for bad debts	(4,993)	(4,994)
Fixed Assets	1,084,781	1,164,703
Tangible Fixed Assets	842,563	896,560
Buildings and structures	235,645	247,843
Machinery and equipment	422,798	462,465
Tools, fixtures and others	19,871	21,331
Land	76,382	78,515
Construction in progress	87,865	86,404
Intangible Fixed Assets	37,108	38,543
Investments and Other Assets	205,110	229,599
Investments in securities	148,350	182,197
Other investments	59,352	50,723
Allowance for bad debts	(2,592)	(3,321)
Total Assets	1,691,556	1,865,870

(1) Consolidated Balance Sheets (continued)

(Unit: millions of yen)

	FY2011 (as of December 31, 2011)	FY2012 first quarter (as of March 31, 2012)
Current Liabilities	419,410	442,531
Trade notes and accounts payable	112,448	118,542
Short-term bank loans	47,552	48,785
Commercial paper	13,369	14,956
Current maturities of bonds	40,078	39,976
Current maturities of bonds with subscription right to shares	50,000	50,000
Income taxes payable	9,220	11,761
Other reserves	14,828	20,622
Other current liabilities	131,910	137,885
Non-current Liabilities	421,684	498,985
Bonds issued	92,014	92,196
Bonds with subscription right to shares	50,000	50,000
Long-term bank loans	184,485	255,442
Accrued retirement benefits for employees	58,591	59,789
Other reserves	10,192	13,651
Other non-current liabilities	26,401	27,906
Total Liabilities	841,095	941,517
Shareholders' Equity	970,480	973,198
Common stock	90,873	90,873
Additional paid-in capital	96,961	96,961
Retained earnings	812,533	815,254
Treasury stock	(29,888)	(29,891)
Total Accumulated Other Comprehensive Income	(163,047)	(94,434)
Unrealized gains on securities, net of tax	19,910	39,395
Deferred gains or losses on hedges, net of tax	47	785
Foreign currency translation adjustments	(183,005)	(134,615)
Share Subscription Rights	1,584	1,591
Minority Interests in Consolidated Subsidiaries	41,444	43,997
Total Net Assets	850,460	924,352
Total Liabilities and Net Assets	1,691,556	1,865,870

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Unit: millions of yen)

	For the three months ended March 31, 2011 (Jan.1 through Mar 31, 2011)	For the three months ended March 31, 2012 (Jan.1 through Mar 31, 2012)
Net Sales	308,591	285,376
Cost of Sales	201,416	204,380
Gross profit	107,175	80,996
Selling, General and Administrative Expenses	53,039	56,814
Operating Income	54,135	24,182
Other Income	5,710	1,663
Interest income	334	292
Dividend income	164	159
Exchange gain, net	3,746	—
Equity in gains of unconsolidated subsidiaries and affiliates	630	674
Others	833	536
Other Expenses	1,871	2,225
Interest expenses	1,464	1,498
Exchange loss, net	—	38
Others	406	688
Ordinary Income	57,974	23,620
Extraordinary Gains	288	10,444
Gain on sale of properties	124	318
Reversal of provision for restructuring programs	109	—
Insurance income	—	9,641
Others	53	483
Extraordinary Losses	6,062	9,428
Loss on disposal of properties	872	1,926
Impairment loss on long-lived assets	—	1,213
Loss on disaster	4,179	—
Expenses for restructuring programs	249	4,102
Others	760	2,185
Income before income taxes and minority interests	52,201	24,636
Income Taxes	12,761	5,574
Income before minority interests	39,439	19,061
Minority Interests in Earnings of Consolidated Subsidiaries	999	1,311
Net Income	38,439	17,749

(Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	For the three months ended March 31, 2011 (Jan.1 through Mar 31, 2011)	For the three months ended March 31, 2012 (Jan.1 through Mar 31, 2012)
Income before minority interest	39,439	19,061
Other Comprehensive Income		
Unrealized gains on securities, net of tax	(1,815)	19,491
Deferred gains or losses on hedges, net of tax	896	738
Foreign currency translation adjustments	21,784	49,455
Share of other comprehensive income of associates accounted for using equity method	284	476
Total Other Comprehensive Income	21,150	70,162
Comprehensive Income	60,590	89,223
Comprehensive income attributable to owners of the parent	59,268	86,362
Comprehensive income attributable to minority interests	1,321	2,861

(3) Segment Information

Information on net sales, profits or losses by reportable segment

For the three months ended March 31, 2011 (January 1 through March 31, 2011)

(Unit: millions of yen)

	Reportable segments			Other	Total	Adjustments	Amount reported on statement of income
	Glass	Electronics	Chemicals				
Sales							
(1)Sales to customers	136,898	105,879	59,429	6,384	308,591	—	308,591
(2)Inter-segment sales/transfers	219	445	649	11,606	12,920	(12,920)	—
Total sales	137,118	106,324	60,079	17,990	321,512	(12,920)	308,591
Segment income (Operating income)	6,446	42,562	4,714	324	54,047	88	54,135

(Note)

1. The "Other" business category, which handles ceramics products, etc., is not included among the reportable segments.
2. Adjustments of segment income of 88 million yen include adjustments of inventories related to inter-segment transactions.

For the three months ended March 31, 2012 (January 1 through March 31, 2012)

(Unit: millions of yen)

	Reportable segments			Other	Total	Adjustments	Amount reported on statement of income
	Glass	Electronics	Chemicals				
Sales							
(1)Sales to customers	138,760	77,804	62,039	6,771	285,376	—	285,376
(2)Inter-segment sales/transfers	481	238	759	18,233	19,713	(19,713)	—
Total sales	139,242	78,043	62,799	25,005	305,090	(19,713)	285,376
Segment income (Operating income)	760	17,956	5,300	276	24,293	(111)	24,182

(Note)

1. The "Other" business category, which handles ceramics products, etc., is not included among the reportable segments.
2. Adjustments of segment income of (111) million yen include adjustments of inventories related to inter-segment transactions.