

July 31, 2014

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Notice regarding Year-on-year Difference in Financial Results and Revision to FY2014 Consolidated Financial Forecast

Asahi Glass Co., Ltd. (“the Company”) announces the difference between the financial results for the six months ended June 30, 2014 and the financial results for the same period of the previous year.

In light of the Group’s recent business performance, the Company has revised its financial forecast for the fiscal year ending December 31, 2014, which were announced on February 7, 2014.

1. Year-on-year Difference in Financial Results

(1) Difference between the financial results for the six months ended June 30

(Unit: Millions of yen; %)

	Net sales	Operating income	Profit before tax	Profit for the period	Profit for the period attributable to owners of the parent	Basic earnings per share (Yen)
Actual results of 1H/FY2013 (A)	638,432	38,514	31,287	21,037	19,686	17.03
Revised forecast of 1H/FY2014 (B)	659,159	25,911	18,023	6,120	3,689	3.19
Change (B – A)	20,727	(12,603)	(13,264)	(14,917)	(15,997)	
Change (%) (B – A)/A	3.2	(32.7)	(42.4)	(70.9)	(81.3)	

(2) Reasons for the difference

The Group’s operating income declined year on year mainly due to a drop in the sales prices of LCD glass substrates. In addition, the Group’s profit before tax, profit for the period, and profit for the period attributable to owners of the parent also fell on a year-on-year basis owing to the costs associated with the restructuring programs for the closure of photovoltaic cover glass plant in Europe and other matters.

2. Revision to the consolidated financial results forecast

(1) Revision to the FY2014 consolidated financial results forecast

[January 1 through December 31, 2014]

(Unit: Millions of yen; %)

	Net sales	Operating income	Profit before tax	Profit for the year	Profit for the year attributable to owners of the parent	Basic earnings per share (Yen)
Previous forecast of FY 2014 announced on February 7, 2013 (A)	1,400,000	75,000	40,000	25,000	20,000	17.30
Revised forecast of FY2014 (B)	1,350,000	65,000	35,000	20,000	15,000	12.98
Change (B – A)	(50,000)	(10,000)	(5,000)	(5,000)	(5,000)	
Change (%) (B – A)/A	(3.6)	(13.3)	(12.5)	(20.0)	(25.0)	
Actual results for FY2013	1,320,006	79,894	44,381	19,023	16,139	13.97

(2) Reasons for the revision

During the first half of 2014, the shipments and sales prices of LCD glass substrates and specialty glass for display applications fell below the initial expectation.

As a result, the financial results for the fiscal year ending December 31, 2014 are expected to fall below the Company's forecasts issued on February 7, 2014.