

NON-CONFIDENTIAL

PUBLIC RECORD
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EXPORTER QUESTIONNAIRE RESPONSE

of

**AGC ASIA PACIFIC
PTE LTD (AAP)**

in relation to

CLEAR FLOAT GLASS

from

INDONESIA

1 April 2016

SECTION A

COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head Office: Name: **Mr Tetsuto Ichihara**
Position: **Senior Director**
Address: **#32-01 PSA Building**
460 Alexandra Road
Singapore 119963
Telephone: **+65 6273 5656**
Facsimile: **+65 6271 3817**
E-mail: tetuto-itihara@agc.com

Factory: Address: **N/A**

A-2 Representative of the company for the purpose of investigation

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name: **Roger D Simpson & Associates Pty Ltd**
Address: **Level 1, 2 Mercantile Dock**
Port Adelaide SA 5015
Australia
Telephone: **61 8 8447 3699**
Facsimile: **61 8 8447 2661**
E-mail: roger@panpac.biz

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (eg. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

AGC Asia Pacific Pte Ltd (AAP).

Company.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

Asahi Glass Company Ltd 100%

3. If your company is a subsidiary of another company, list the principal shareholders of that company.

N/A

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

N/A

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

Please refer to the following website

http://www.agc.co.jp/english/company/group_world_01.html

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

No.

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

Sales and marketing.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

- **AAP sells the goods under consideration (GUC) exported by PT Asahimas Flat Glass Tbk (AMG), Indonesia to Australia and other countries.**

- **The GUC sold to Australia and other countries by AAP is manufactured by AMG who also sells in the Indonesian domestic market.**

- **AMG will also respond to this exporter questionnaire.**

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Refer to attachment A-3.9.

10. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

2014 Annual Report and company brochure are at attachment A-3.10.

A-4 General accounting/administration information

1. Indicate your accounting period.

January to December.

2. Indicate the address where the company's financial records are held.

Head office per A-1 above.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;
- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under consideration, and
- the company.

Refer to attachment A-4.3 for chart of accounts and unaudited 2015 financials. The 2014 audited financial statement is included in the 2014 Annual Report at attachment A-3.10.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

N/A

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

No.

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

Refer to note 2.8 to the 2014 financial statement at attachment A-3.10.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

By [Confidential].

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

N/A

- valuation methods for scrap, by products, or joint products;

N/A

- valuation and revaluation methods for fixed assets;

Refer to note 3.5 to the 2014 financial statement at attachment A-3.10.

- average useful life for each class of production equipment and depreciation method and rate used for each;

As above.

- treatment of foreign exchange gains and losses arising from transactions;

Income statement.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Income statement.

- inclusion of general expenses and/or interest;

Income statement.

- provisions for bad or doubtful debts;

A provision will be made if the outstanding amount is more than [Confidential] months overdue and there are grounds to doubt the customer's ability to pay.

- expenses for idle equipment and/or plant shut-downs;

N/A

- costs of plant closure;

N/A

- restructuring costs;

N/A

- by-products and scrap materials resulting from your company's production process; and

N/A

- effects of inflation on financial statement information.

N/A

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

N/A

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under consideration ('*goods under consideration*' (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

Refer to attachment A-5.

A-6 Sales

State your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

Refer to attachment A-6.

SECTION B

SALES TO AUSTRALIA (EXPORT PRICE)

B-1 For each customer in Australia to whom you shipped goods in the investigation period list:

name;
address;
contact name and phone/fax number where known; and
trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

Refer to attachment B-1.

B-2 For each customer identified in B1 please provide the following information.

(a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

Shipped direct from Indonesia by AMG.

(b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

- **AMG - manufacturer and exporter.**
- **AAP - seller of GUC exported to Australia by AMG to Australian customers.**
- **Australian customers - buyers of the GUC sold to them by AAP and exported by AMG.**

(c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

Ownership passes from AMG to AAP at FOB and to Australian customers when the goods enter their Australian destination port.

(d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

There are no agency or distributor agreements in relation to the Australian market.

(e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

Price: The price is negotiated with Australian customers and AMG as required, having regard to Australian market conditions and production costs.

Orders: Received direct from customers or through AAP's Australian branch office and placed on AMG by AAP.

Delivery: Shipment to customers by AMG is arranged by AAP.

Invoice: After receipt of B/L – 2 or 3 days after shipment.

Payment: Received from customer by TT according to agreed credit terms and transferred to AMG according to the agreed credit term, ie end of the month following the month of invoice.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

AAP is not related to any of its Australian customers and there is no consideration other than price.

- (g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

Refer to attachment B-2(g).

- B-3** Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

No.

- B-4** Prepare a spreadsheet named "Australian sales" listing all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period. You must provide this list in electronic format. Include the following export related information:

Refer to attachment B-4.

- B-5** If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see "other factors" in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

AAP has a fixed sales margin of [Confidential]% on AMG exports to Australia. This margin has not been included in attachment B-4 as AAP and AMG are considered a single entity – please refer to the findings in the previous investigation.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

N/A

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

All price variations are reported in attachment B-4.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

N/A

B-9 Select two shipments, in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

Customs and Border Protection will select additional shipments for payment verification at the time of the visit.

Refer to attachment B-9.

SECTION C EXPORTED GOODS & LIKE GOODS

Like goods are sold on the Indonesia domestic market by AMG who will provide the information required by this section in its questionnaire response.

SECTION D DOMESTIC SALES

Like goods are sold on the Indonesia domestic market by AMG who will provide the information required by this section in its questionnaire response.

SECTION E

FAIR COMPARISON

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, 'Australian sales')

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Amounts included in attachment B-4 have been supplied by AMG who advise that they are actual amounts according to freight forwarder invoices. AMG also advises that these amounts charged by freight forwarders are "all-in", ie they include all costs from moving the goods from ex-factory to FOB other than fumigation cost. Allocations to different thicknesses are on a net weight basis.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ("**Handling, loading & ancillary expenses**"). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

All FOB costs other than fumigation are included in inland transportation.

The amounts included in attachment B-4 for fumigation have been supplied by AMG who advise that they are actual amounts charged by fumigators.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, Customs and Border Protection will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales eg, short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

The credit cost included in attachment B-4 is calculated by applying the average short term borrowing interest rate (Confidential%) to the applicable credit term.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed 'Packing'.

Refer to AMG's questionnaire response (E-2.7)

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed "Commissions". Identify the general ledger account where the expense is located.

N/A

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ("Warranty & guarantee expenses" and "Technical assistance & other services"), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

N/A

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed "Other factors". For example, other variable or fixed selling expenses, including salesmen's salaries, salesmen's travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

As mentioned in section B-5, AAP has a fixed sales margin of [Confidential]% on its sales of AMG exports of CFG to Australia. This sales margin covers all SG&A expenses incurred in these sales to Australia other than that of the direct selling expenses included in the B-4 spreadsheet, ie. ocean freight and marine insurance. There is no downward adjustment to the export price per attachment B-4 for this sales margin, as AMG and AAP are considered to be a single entity.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

N/A

E-2 Costs associated with domestic sales

Like goods are sold in the Indonesian domestic market by AMG and consequently the information required by this sub-section will be provided in AMG's questionnaire response.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

N/A

SECTION F
EXPORT SALES TO COUNTRIES OTHER THAN
AUSTRALIA (THIRD COUNTRY SALES)

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Refer to attachment F-1.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

N/A

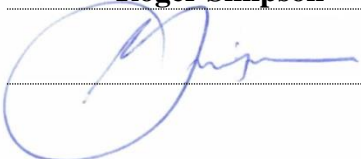
SECTION G COSTING INFORMATION AND CONSTRUCTED VALUE

The GUC sold to Australia by AAP are manufactured by AMG who will provide the information required by this section in its questionnaire response.

SECTION H EXPORTER'S DECLARATION

I hereby declare that AGC Flat Asia Pacific Pte Ltd did, during the period of investigation sell the goods under consideration to Australia and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name: **Roger Simpson**

Signature: 

Position in company: **Consultant**

Date: **1/4/16**

SECTION I CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A – general information	<input checked="" type="checkbox"/>
Section B – export price	<input checked="" type="checkbox"/>
Section C – like goods	<input type="checkbox"/>
Section D – domestic price	<input type="checkbox"/>
Section E – fair comparison	<input checked="" type="checkbox"/>
Section F – exports to third countries	<input checked="" type="checkbox"/>
Section G – costing information	<input type="checkbox"/>
Section H – declaration	<input checked="" type="checkbox"/>

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input checked="" type="checkbox"/>
TURNOVER – sales summary	<input checked="" type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input checked="" type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input type="checkbox"/>
THIRD COUNTRY – third country sales	<input checked="" type="checkbox"/>
PRODUCTION – production figures	<input type="checkbox"/>
DOMESTIC COSTS – costs of goods sold domestically	<input type="checkbox"/>
AUSTRALIAN COSTS – costs of goods sold to Australia	<input type="checkbox"/>

LIST OF ATTACHMENTS

Attachments:

Attachment	A-3.10	2014 Annual Report (Confidential) and company brochure (Non-confidential)
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**2014 ANNUAL REPORT
(CONFIDENTIAL) AND COMPANY
BROCHURE**
