

AGC to Set Up Solar Control Coating Facility in Indonesia for its Architectural Glass Production

—Responding to growing needs for energy-saving buildings in Southeast Asia—

Tokyo, November 9, 2016—AGC Asahi Glass (AGC), a world-leading manufacturer of glass, chemicals and high-tech materials, announces that it will build a new solar-control coating facility for architectural glass at the Cikampek Factory of PT Asahimas Flat Glass Tbk (AMG), one of AGC's consolidated subsidiaries in Indonesia. Through this project, AGC aims to meet the needs for energy-saving buildings, which are growing in Indonesia and other Southeast Asian countries. Capital investment for the construction of the new coating facility is estimated at about 4.0 billion yen, and the production capacity is expected to be about 6.0 million m² a year. The new facility is planned to start production in the second quarter of 2018.

Demand for glass in Southeast Asia is expected to increase 5% or more annually. In Indonesia, among other countries, demand for architectural glass and automotive glass is rising due to steady domestic economic growth. At its Jakarta Factory, AMG stopped operating a float glass furnace with an annual production of 150,000 tons in October 2016, and, in December 2016, it will restart mass production of float glass at the Cikampek Factory using its state-of-the-art facility that produces 210,000 tons of float glass annually.

In Southeast Asia, where a construction boom is continuing, the issue has emerged of how to improve energy-saving efficiency on the back of increasing fuel imports and power supply shortages. In response, the Indonesian government is promoting saving-energy policies for large-sized buildings, including those air-conditioned throughout the year. Against this backdrop, demand is surging for Low-emissivity (Low-e) coated glass, which features excellent solar control performance, as one solution for improving air-conditioning efficiency and reducing energy consumption.

Under such circumstances, in addition to the increase in its float glass production in the region, AGC has decided to establish an offline Low-e coating facility that uses the state-of-the-art sputtering method. It will expand the lineup of energy-saving products that feature improved solar control and insulation performance, while maintaining high transmissivity of visible light. With the new facility, AGC will provide customers in the Southeast Asia region with products that meet their diverse needs for the performance and design of buildings, thereby making a significant contribution toward reducing energy consumption.

Under its management policy, **AGC plus**, the AGC Group will continue responding steadily to growing demand in emerging markets and supplying high value-added products that meet market needs, aiming to strengthen and solidify its foundations for growth.

<Media inquiries>

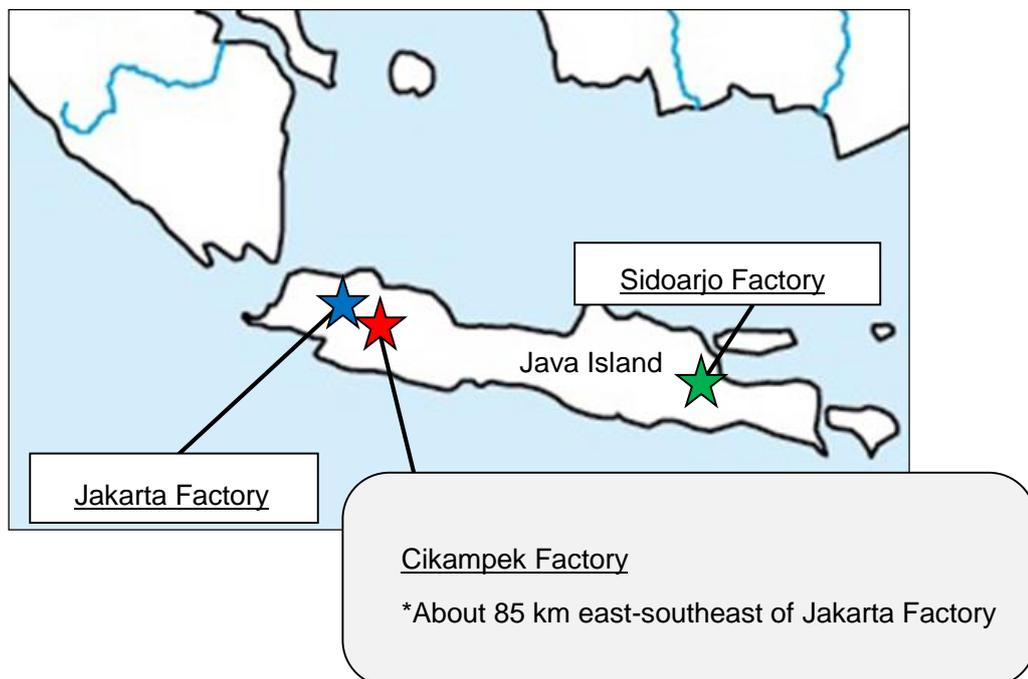
Junichi Kobayashi, General Manager, Corporate Communications & Investor Relations Office
AGC Asahi Glass

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<Reference>

PT Asahimas Flat Glass Tbk

1. Name: PT Asahimas Flat Glass Tbk
2. Representative: Takeo Takei
3. Location of Head office: Jakarta, Indonesia
4. Capital: 217.0 billion rupiah
5. Shareholding ratio: AGC: 43.9% (AGC's consolidated subsidiary);
Rodamas*: 40.8%;
Others: 15.3%
*Local partner
6. Established: 1971
7. Products: Architectural glass, fabricated architectural glass (planned for the second quarter of 2018), automotive glass, fabricated automotive glass, industrial glass, and mirrors
8. Production capacity: Float glass: 630,000 tons a year;
Coating facility: 6.0 million m² a year (planned for the second quarter of 2018)
9. Production sites:



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