

December 14, 2016

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(Code Number: 5201; TSE 1st section)
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Announcement of Share Acquisition of Vinythai PCL

AGC Asahi Glass (“the Company”) hereby announces that the Company has entered into an agreement with Solvay Group (“Solvay”) to acquire shares of Solvay’s Thai subsidiary Vinythai PCL (“Vinythai”) following the resolution passed at the Board of Directors Meeting on December 14, 2016. The agreement remains subject to approval from the relevant antitrust authorities and the fulfillment of customary conditions precedent under the relevant share purchase agreement.

1. Reason for the Share Acquisition

Under the AGC Group’s management policy **AGC plus**, the AGC Group puts strategic focus on the enhancement of its Chlor-Alkali business in Southeast Asia. The caustic soda and polyvinyl chloride (PVC) markets in Southeast Asia are projected to grow at around 5% per year, and the 70% of the demand comes from Indonesia, Thailand, and Vietnam where the Group has production bases. The AGC Group has been working successively to capture the growing demand and increase its competitiveness in the region. Major initiatives in Indonesia include the capacity expansion of caustic soda and PVC production (completed in 2016), the construction of a power plant (to start operation in 2018), and the capacity expansion of Vinyl Chloride Monomer (to be completed in 2018). In Vietnam, the Group acquired a PVC manufacturer in 2014 and expanded its production capacity.

The acquisition of Vinythai will add to the AGC Group a PVC production base in Thailand, following Indonesia and Vietnam. Going forward, through consistent enhancement of its capacity and competitiveness, the AGC Group will continue to meet the needs of customers in fast-growing Southeast Asia.

2. Summary of Vinythai

1)	Company name	Vinythai Public Company Limited	
2)	Headquarters	No. 2, I-3 Road, Tambol Map Ta Phut, Amphoe Mueang, Rayong 21150, Thailand	
3)	Name & title of Representative	Bruno van der Wielen, Managing Director	
4)	Business description	Sales and manufacturing of chemicals products	
5)	Capital	7,111,160,664 Thai Baht	
6)	Date of establishment	December 27,1988	
7)	Major shareholders and percentage of shares held	SOLVAY VINYL HOLDING AG 58.77% PTT Global Chemical Public Company Ltd. 24.98%	
8)	Relationship between the Company and Vinythai	Capital relationship	Not applicable
		Personnel relationship	Not applicable

	Transactional relationship	Vinythai has a small amount of business trading with the Company's subsidiary in Thailand.	
9) Financials for the most recent 3 years			
	Fiscal term	FY 2013	FY 2014
	Consolidated net assets	16,145 million Baht	15,072 million Baht
	Consolidated total assets	21,783 million Baht	19,773 million Baht
	Consolidated net assets per share	13.62 Baht	12.72 Baht
	Consolidated sales	17,496 million Baht	17,847 million Baht
	Consolidated profit before income tax	133 million Baht	-1,234 million Baht
	Consolidated profit for the year	198 million Baht	-964 million Baht
	Earnings per share	0.17 Baht	-0.81 Baht
	Dividend per share	0.064 Baht	0.10 Baht
			FY 2015
			15,496 million Baht
			19,048 million Baht
			13.07 Baht
			16,653 million Baht
			562 million Baht
			566 million Baht
			0.48 Baht
			0.40 Baht

3. Summary of the current shareholder

1)	Company name	SOLVAY VINYL HOLDING AG	
2)	Headquarters	Zürcherstraße 42, 5330 Bad Zurzach, Switzerland	
3)	Name & title of Representative	Michael ODENWALD, Site Manager Zurzach	
4)	Business description	Equity company	
5)	Capital	100,000.00 CHF	
6)	Date of establishment	June 18, 2009	
7)	Net assets	156,180,597.86 CHF	
8)	Total assets	177,036,652.37 CHF	
9)	Major shareholders and percentage of shares held	Solvay Luxembourg Sàrl 100%	
10)	Relationship with the Company	Capital relationship	Not Applicable
		Personnel relationship	Not Applicable
		Transactional relationship	Not Applicable
		Status as a related party	Not Applicable

(Exchange rate as of the end of December 2015 1CHF=121.52 Japanese yen)

4. Number of shares for acquisition

1)	Number of shares held by the Company prior to transfer	None (Number of voting rights: None) (Ownership ratio of voting rights: 0%)
2)	Number of shares to be transferred	696,511,059 shares (Number of voting rights: 696,511,059 units)
3)	Acquisition price	Vinythai Public Company Limited (common shares) 10,448 million Baht (*Approx.. 33.5 billion Japanese yen on the assumption that 1 Thai Baht = 3.21 Japanese yen)
4)	Number of shares held by the Company after transfer	696,511,059 shares (Number of voting rights: 696,511,059 units) (Ownership ratio of voting rights: 58.77%)

5. Schedule

1)	Resolution at the Board of Directors meeting	December 14, 2016
2)	Contract day	December 14, 2016
3)	Transfer of shares	During the first half of 2017 (schedule)

Vinythai is a public company listed on the Stock Exchange of Thailand. After the fulfillment of the customary conditions precedent under the aforementioned share purchase agreement and the completion of the share acquisition, the Company will commence the procedures for tender offer for the remaining outstanding shares in Vinythai pursuant to Thai securities law and the Notification of the Capital Market Supervisory Board No. ThorChor. 12/2554 re: Rules, Conditions and Procedures for Acquisition of Securities for Business Takeover, dated May 13, 2011 (as amended).

6. Future prospect

The transaction will have no impact on the Company's business performance for the fiscal year ending December 31, 2016.