

Oct. 7th, 2010

**Announcement of commencement of tender offer
for the stocks of Hankuk Electric Glass Co., Ltd.**

AGC Asahi Glass Co.,Ltd.

Asahi Glass Co.,Ltd. (“AGC”) has announced the decision at the meeting of its Board of Directors on October 6, 2010 to acquire the stocks of Hankuk Electric Glass Co., Ltd. by way of a tender offer as described below.

Please note that this tender offer has already been accounted for in the consolidated earnings forecast announced.

- **This tender offer will be implemented in Stock Exchange in Korea in accordance with Korean Financial Investment Services and Capital Markets Act and relevant laws and regulations.**
- **This announcement is made at the same time as filing to authority in South Korea.**

1. Purpose of tender offer

Demand for displays including those for television sets and personal computers is shifting from CRT glass displays to LCDs, plasma displays and other flat panel displays (FPD). Consequently, the demand for CRT glass is plummeting at an accelerated speed. In such a business environment, AGC has been working on the restructuring of its CRT glass production business, including the closure of production bases in Japan and Southeast Asia. As a result, AGC is currently continuing with CRT glass production only in Hankuk Electric Glass Co., Ltd. (51.47 % owned by AGC) which is the target company of this tender offer. The environment surrounding CRT glass business is expected to be increasingly severe. In order to play a leading role in swiftly implementing various management policies, AGC has decided to purchase all of the target company’s shares held by its minority shareholders by means of the tender offer. Upon completion of the tender offer, AGC plans to have the target company delist itself subject to the approval of authority concerned in South Korea.

2. Outline of the tender offer, etc.

(1) Overview of the target company

(As of June 30, 2010)

(i)	Corporate name	Hankuk Electric Glass Co., Ltd.	
(ii)	Business operation	Manufacture and sale of CRT glass	
(iii)	Date established	May 23, 1974	
(iv)	Location of head office	150 Gongdan-dong, Gumi-si, South Korea	
(v)	Representative	Hiroaki Aimu, Chairman and CEO	
(vi)	Capital	40,366,875,000 won	
(vii)	Major shareholders and percentages of shares held	AGC: 51.47% LG Electronics, Inc.: 20.00%	
(viii)	Relationship between tender offer and target company	Capital relationship	AGC holds 51.47% of the stocks of Hankuk Electric Glass.
		Human relationship	Four of the seven directors and one of the three corporate auditors of Hankuk Electric Glass are employees of AGC. In addition, some of the employees of Hankuk Electric Glass are those dispatched from AGC.
		Business relationship	AGC licenses its CRT glass manufacturing technology to Hankuk Electric Glass.
		Status as a related party	Hankuk Electric Glass falls into the category of a related party by virtue of the fact that it is a consolidated subsidiary of AGC.

(2) Tender offer period

From October 8, 2010 (Friday) to October 27, 2010 (Wednesday) (for a total of 20 days)

(3) Tender offer price

55,000 won per share of common stock

(4) Grounds for calculation of tender offer price

The AGC's tender offer price of 55,000 won per share of common stock was determined upon comprehensive examinations of various factors, such as the market's evaluation (stock price) of the target company's common stock, the target company's financial conditions and future cash flows.

The premium added to the weighted average value of the daily closing prices of the target company's common stock for the designated periods prior to the tender offer date (October 7, 2010) is as follows.

Period	weighted average value	Premium
A week before	45,976 won	19.6 %
A month before	42,766 won	28.6 %
Two months before	40,600 won	35.5 %

(5) Number of stock certificates and other items tender offer purchased

Types of stocks	(i) Number to be purchased in terms of stocks	(ii) Number of anticipated excess in terms of stocks
Stock certificates	3,917,819 shares	None
Equity warrants	None	None
Bonds with equity warrants	None	None
Stock certificates and other depository receipts	None	None
Sum total	3,917,819 shares	None

(6) Changes in percentages of stock certificates and other items held resulting from the tender offer

Number of voting rights associated with the stock certificates and other items held by AGC before the tender offer	4,155,556	(Percentage of stock certificates and other items held before the tender offer: 51.47%)
Number of voting rights associated with stock certificates and other items tender offer purchased	3,917,819	(Percentage of stock certificates and other items held after the tender offer: 100.00%)
Number of voting rights held by aggregate shareholders of subject target company	8,073,375	

(7) Purchase cost

Approximately 217.0 billion won (equivalent to approximately 15.9 billion yen at the exchange rate of 1 won = 0.0736 yen)

(8) Method of settlement

(i) Name and location of the head office of the securities company, bank, and other organizations in charge of the settlement of subject tender offer, etc.

Daewoo Securities Co., Ltd.:

Daewoo Securities Building, 34-3 Yoido-dong, Youngdeunpro-gu, Seoul, South Korea

(ii) Date of settlement

November 3, 2010 (Wednesday)

(iii) Method of settlement

AGC will promptly forward, by postal mail, a notice letter of purchase to the address indicated by a tendering shareholder in a tender offer application form upon completion of the tender offer period. On the settlement date, the purchase price will be transferred and credited to the account with Daewoo Securities Co., Ltd. opened and designated by the tendering shareholder. The stocks subject to the relevant

tender offer will be transferred from tendering shareholders' accounts to AGC's tender offer account.

(9) Other terms and method of tender offer

AGC is planning to purchase all the outstanding aggregate number of shares issued by the target company other than those currently held by AGC. If the number of shares actually purchased at the tender offer turns out to be less than the planned number of shares slated for the tender offer, then AGC will purchase all the shares brought in for the tender offer .

(10) Date of notification of tender offer

Oct 7, 2010 (Thursday)

(11) Tender offer Agent

Daewoo Securities Co., Ltd.

For further information, please contact the followings.

<In South Korea>

Prain, Inc.

Direct inquiries to: Jang Sung Bin, EVP ; Telephone: +81 2 3210-9612; E-mail: sbjang@prain.com

<In other countries>

Toshihiro Ueda General Manager, Corporate Communications and Investor Relations, AGC.

(Direct inquiries to: Masahiko Tobari; Telephone: +81-3-3218-5509;

E-mail: info-pr@AGC.co.jp)