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For Immediate Release

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***Sale of Equity in Hankuk Electric Glass Co., Ltd to LG Electronics Co., Ltd.***

Asahi Glass Co., Ltd. (Head office: Tokyo, CEO: Shinya Ishizu) has reached an agreement with LG Electronics Co., Ltd. (Head Office: Seoul, Korea, CEO : John Koo), a leading Korean electronics manufacturer, on the sale of 1,614,000 shares (20% of the total outstanding shares), of Hankuk Electric Glass Co., Ltd. (Head office: Kumi, Korea, Chairman and CEO: Tokunosuke Koshida), an affiliate of Asahi Glass, to LG Electronics for the amount of Won 92,428million (approx. Yen 878 billion).

Asahi Glass entered into a basic agreement for the transaction with LG Electronics in Seoul, Korea on August 24, 2001.

LG Electronics has for some time had a strong interest in entering the glass bulb business. The glass bulbs are a major component in the CRTs (or Braun tubes) produced by a joint venture in which LG Electronics is participating.

Asahi Glass opted to accept LG Electronics' request for the transfer of the shares and commenced negotiations, since Asahi Glass seeks to strengthen its ties with LG Electronics, which is one of the most important customers for its CRT glass bulbs and a partner in a similar joint venture project in Indonesia. Asahi Glass deemed the equity participation in Hankuk Electric Glass by LG Electronics, its largest customer, to be beneficial for the business of Hankuk Electric Glass. It also determined that the equity participation by LG Electronics, which is involved in the largest joint venture projects in the CRTs industry, a sector experiencing a rapid realignment, would have significant advantage in which it would ensure a stable customer for Hankuk Electric Glass. We recently reached a final accord on the details of the terms and conditions for the share transfer, and accordingly concluded an agreement.

Through this equity share transfer, Hankuk Electric Glass will shift from a consolidated subsidiary of Asahi Glass to an equity-method-based affiliate, effective from the second half of the current fiscal year. Hankuk Electric Glass will continue to employ a representative director dispatched from Asahi Glass.

(Reference)

**1. Profile of Hankuk Electric Glass Co., Ltd.**

- (1) Trade name: Hankuk Electric Glass Co., Ltd.
- (2) Representative: Tokunosuke Koshida, Chairman and Representative Director
- (3) Address: Kumi, Korea
- (4) Established: May 1974
- (5) Major business: Manufacturing and sale of glass bulbs for CRTs
- (6) Account closing month: December
- (7) Employees: 1,578 (as of December 31, 2000)
- (8) Major factories and offices: Head office, No. 1 factory, No 2. factory, and No. 3 factory (all located in Kumi, Korea)
- (9) Capitalized stock value: Won 40,367 million
- (10) Total outstanding shares: 8,073,375 shares

**2. Profile of the Purchaser of the Equity Share**

- (1) Trade name: LG Electronics Co., Ltd.
- (2) Representative: John Koo, CEO
- (3) Address: Seoul City, Korea
- (4) Established: October 1958
- (5) Major business: Digital products
- (6) Account closing month: December
- (7) Employees: 31,774
- (8) Major factories and offices: Seoul, Pyongtaek, Kumi, Changwon
- (9) Capitalized stock value: Won 1,031.1 billion
- (10) Total outstanding shares: 206,213,617 shares
- (11) Major shareholders (equity share): LG Chemicals (5.4%), LG Electric Cable (1.7%)

**3. List of Hankuk Shareholders (post-transaction)**

Shareholder	Number of shares owned	Equity share %
Asahi Glass Co., Ltd.	2,422,014	30%
LG Electronics	1,614,675	20%
TECHNE GLASS	721,000	9%
Nippon Electric Glass	309,000	4%
Other shareholders	3,006,687	37%
Total	8,073,376	100%