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For Immediate Release

Asahi Glass Reports Consolidated Interim Results for First Half Fiscal 2003

TOKYO — Asahi Glass Co., Ltd. has released its consolidated interim results for the first half (from April 1 to September 30, 2003) of fiscal 2003. Net sales stood at ¥661.7 billion ($5,554 million), up 4.6%, year on year. Operating profit totaled ¥36.2 billion ($304 million), up 25.8%, and recurring profit reached ¥33.3 billion ($280 million), up 34.1%. The Company posted consolidated interim net income of ¥29.4 billion ($247 million), a substantial 93.5% improvement from the previous term. Asahi Glass will not pay an interim dividend for the current fiscal year, as it has decided to change its fiscal year-end from March 31 to December 31.

Operating Results

During the first half (ended on September 30) of the fiscal 2003, the world economy generally remained sluggish, with a slowdown in the U.S. and Europe economies. In Japan, stock prices recovered and corporate capital investment showed signs of a slight pickup. With consumer spending still weak, however, the Japanese economy failed to stage a full-scale recovery. Meanwhile, the economy in the rest of Asia, particularly China and Thailand, continued to grow strongly, albeit impacted somewhat by the outbreak of severe acute respiratory syndrome (SARS). The U.S. economy slowed with the war in Iraq, while the economy in Europe also stalled with the exception of certain countries such as Russia.

Under these circumstances, Asahi Glass endeavored to expand the glass substrate business for thin film transistor liquid-crystal displays (TFT-LCDs), in response to rapidly growing demand. The Company also moved to withdraw from production of glass for cathode-ray tubes (CRTs) in North America. With these initiatives, the Company continued its efforts to restructure its management and cut costs in accordance with its *Shrink to Grow* program, thereby improving profitability.

As a result, the Company posted consolidated net sales for the first half of ¥661.7 billion, up 4.6%, or ¥28.8 billion, from a year earlier. Operating profit rose 25.8%, or ¥7.4 billion, to ¥36.2 billion, and recurring profit jumped 34.1%, or ¥8.5 billion, to ¥33.3 billion. Meanwhile, net income soared 93.5%, or ¥14.2 billion, to ¥29.4 billion, thanks to an extraordinary profit earned from the sale of land and shares.

From the fiscal year starting April 1, 2003, the Company decided to shift its fiscal year-end from March 31 to December 31. Accordingly, the current fiscal period will be the nine months from April 1, 2003 to December 31, 2003.

Glass and Related Operations

Glass operations consist of the flat glass division for construction use and the automotive glass division (both of which the Company operates worldwide), and a division for other glass that includes exterior building materials for houses (which it runs mainly in Japan).

Domestic demand for the flat glass division leveled off, as demand for use in redevelopment projects in the Tokyo metropolitan area declined and shipments of housing-use glass continued to fall. In contrast, sales of high-value added products, such as burglary-resistant glass, expanded. Elsewhere in Asia, overall sales remained robust, chiefly because of the steady demand in Thailand and Indonesia. In the United States, although sales of glass for house-use were strong, demand for glass used in commercial buildings declined, pushing down overall sales. In Europe, sales were brisk in Central and Eastern Europe (particularly Russia), but overall sales volume remained low and prices dropped, impacted by the severe economic conditions in Western Europe.

In the automotive glass division, shipped glass volumes remained firm in general thanks to robust demand from automakers, which enjoyed strong exports. Sales of high-value added products, including infrared-ray insulating glass, fared well. In the rest of Asia, demand grew in China, Thailand and Indonesia, which benefited from high economic growth rates. In the United States, sales steadily increased despite a decline in overall vehicle production. But with more new car models launched than in the previous years, overall productivity of glass manufacturing for these new models temporarily fell, pushing down overall profits. In Europe, the number of vehicles manufactured decreased amid a slumping economy, although sales of the Company’s glass expanded, as a result of our proactive marketing of high-value added products. Nevertheless, profits deteriorated given the reduced profitability of models that require advanced skills to manufacture.

Profits at the other glass units, such as Asahi Techno Glass Corp., improved. However, overall profits declined as sales of exterior building materials for houses continued to fall amid declining housing starts in Japan.

As a result, the glass business posed consolidated sales of ¥350.8 billion, up 1.2%, or ¥4 billion, from the previous year. Operating profit dropped 26%, or ¥5.2 billion, to ¥14.8 billion.

Electronics and Display Operations

Our electronics and display operations consist of the display-related division (which deals with glass for CRTs and glass substrates for flat panel displays [FPDs]), as well as the electronic materials-related division.

Although sales of glass for CRTs were relatively strong at the beginning of the fiscal year, demand and prices decreased in the latter half of the first quarter (April to June), reflecting the economic slowdown in Europe and the United States, as well as the outbreak of SARS. In June, the Company shut down the CRT glass production site in North America, in response to continued declines in demand. While an increasing number of other CRT manufacturers transferred production sites to China, the Company acquired an additional stake in Hankuk Electric Glass Co., Ltd., which plans to enter the Chinese market. Consequently, the status of the Hankuk Electric was changed from an equity-method affiliate to a consolidated subsidiary, beginning in the second quarter (April to June) of the firm.

Demand for FPDs glass increased steadily. Meanwhile, shipments of glass substrates for TFT-LCDs and plasma display panels (PDPs) continued to expand, as sales of LCD monitors for personal computers, LCD televisions and PDPs enjoy sustained growth.

In the electronic materials-related division, shipments of reflective color LCDs for cellular phones, frit paste for PDPs, and optical pickup components for DVDs were buoyant.

As a result, consolidated sales from the electronics and display operations rose 17.6%, or ¥26.3 billion, year on year, to ¥176.0 billion, and operating profit surged 60.9%, or ¥6.6 billion, to ¥17.4 billion.

Chemicals Operations

The Company's chemicals operations consist of three divisions: chloro-alkalis including caustic soda, fluoro chemicals centering on fluorinated resins and solvents, as well as urethane and other chemicals.

Sales on the chloro-alkalis division remained firm at Thai and Indonesian subsidiaries, aided by strong demand in China and Southeast Asia.

In the fluoro chemicals division, sales of water- and oil-repellant agents, as well as optical filters for PDPs fared remarkably well. However, demand for polytetrafluoroethylene (PTFE) business remained weak in the United States and Europe, resulting in sluggish business performance.

The urethane and other chemicals division enjoyed brisk sales of materials for lithium-ion batteries.

As a result, consolidated sales on chemicals operations fell 0.4%, or ¥500 million, from a year earlier to ¥128.9 billion, while operating profit reached ¥3.4 billion, up ¥5.5 billion from the loss of ¥2.1 billion in the previous fiscal year.

Other Operations

Other operations consist of the ceramics and service businesses (such as logistics and financial services).

The performance of the ceramics business continued to strengthen, following the establishment of a production and marketing framework for electrocast bricks in Japan and China. Meanwhile, sales of service operation are declined.

As a result, consolidated sales from other operations declined 3.1%, or ¥1 billion, from the preceding year, to ¥33.3 billion, while operating profit was ¥600 million, up from the breakeven figure posted a year earlier.

Outlook for the Overall Fiscal Year Ending December 31, 2003

For the second half of fiscal 2003, the harsh market climate will likely continue, given the likelihood that rapid appreciation of the yen in recent months will negatively affect Japan's economy and the uncertainty surrounding the U.S. economy will persist despite a moderate recovery trend. Responding to this market climate, the Company will make strategic and flexible decisions based on its *Company Framework* system and the medium-term management plan *Shrink to Grow 2005*, to promote structural reforms further.

The term will only be nine months, running from April 1, 2003 to December 31, 2003, because of the change in the accounting term to the calendar year. The Group's consolidated operating results in fiscal 2003 will therefore include the nine-month results of Asahi Glass (previous accounting period ending March 31) and consolidated subsidiaries (previous accounting period ending March 31); as well as the 12-month results of Group companies (current accounting period ending December 31).

For the full fiscal period from April 1 to December 31, 2003, the Company projects consolidated net sales of ¥1,220 billion, operating profit of ¥76.0 billion, recurring profit of ¥69.0 billion, and net income of ¥46.0 billion. The Company also assumes an average exchange rate of ¥116 t0o the dollar and ¥131 to the euro throughout the period.

Disclaimer regarding Outlook for the Overall Fiscal Year

The above-mentioned prospective results reflect management's judgment on the basis of currently available information and, as such, contain risks and uncertainties. It is recommended that investment decisions not be made solely on the basis of these prospective results as actual results may differ materially from such prospective results for the reasons such as, but not limited to, economic conditions effecting the Company's operating environment, market trends and fluctuations in foreign exchange rates.

Consolidated Financial Highlights

(Unit: Billions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Net Sales	**661.7**	632.9	1,295.0
Operating Profit	**36.2**	28.7	67.5
Recurring Profit	**33.3**	24.8	56.8
Net Income (Loss)	**29.4**	15.2	(3.9)
Shareholders' Equity	**615.4**	583.5	553.8
Net Income (Loss) per Share – Primary	**25.08**	12.96	(3.37)

Non-Consolidated Financial Highlights

(Unit: Billions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Net Sales	**265.4**	268.8	542.8
Operating Profit (Loss)	**1.1**	(1.3)	5.3
Recurring Profit	**4.3**	3.0	11.0
Net Income (Loss)	**13.5**	2.5	(28.8)
Shareholders' Equity	**555.3**	563.1	520.3
Net Income (Loss) per Share – Primary	**11.46**	2.10	(24.49)

Consolidated Results according to Business Segment & Region

(1) By Business Segment

(Unit: Billions of yen)

	Net Sales		Operating Profit (Loss)	
	Apr. 1, 2003– Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	**Apr. 1, 2003 – Sep. 30, 2003**	Apr. 1, 2002 – Sep. 30, 2002
Glass	**350.8**	346.8	**14.8**	20.0
Electronics & Display	**176.0**	149.7	**17.4**	10.8
Chemicals	**128.9**	129.4	**3.4**	(2.1)
Others	**33.3**	34.3	**0.6**	0
Elimination	**(27.3)**	(27.4)	**0**	(0.1)
Total	**661.7**	632.9	**36.2**	28.7

(2) By Region

(Unit: Billions of yen)

	Net Sales		Operating Profit	
	Apr. 1, 2003– Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	**Apr. 1, 2003 – Sep. 30, 2003**	Apr. 1, 2002 – Sep. 30, 2002
Japan	**388.0**	372.3	**9.1**	2.0
Asia	**120.8**	106.5	**17.6**	10.9
The Americas	**84.0**	94.9	**2.0**	3.5
Europe	**139.3**	128.6	**7.7**	12.0
Elimination	**(70.4)**	(69.4)	**(0.2)**	0.3
Total	**661.7**	632.9	**36.2**	28.7

Consolidated Balance Sheet

(Unit: Millions of yen)

	First Half ended Sep. 30, 2003	First Half ended Sep. 30, 2002	Fiscal Year ended Mar. 31, 2003
Cash on hand and in banks	**58,318**	49,645	56,880
Trade notes & accounts receivable	**249,571**	244,765	241,232
Inventories	**213,415**	190,483	187,324
Deferred tax assets	**11,804**	14,575	13,128
Other current assets	**52,898**	49,987	57,589
Allowance for bad debts	**(8,169)**	(5,903)	(6,900)
Current Assets	**577,838**	543,554	549,255
Buildings & structures	**229,153**	219,327	217,202
Machinery & equipment	**427,962**	427,160	414,635
Tools & fixtures	**18,251**	18,938	18,244
Land	**114,347**	110,855	109,462
Construction in progress	**52,243**	43,501	39,322
Tangible Fixed Assets	**841,957**	819,782	798,867
Intangible Fixed Assets	**114,265**	111,052	111,758
Investments in securities	**267,337**	313,873	241,002
Long-term loans	**11,099**	7,011	11,827
Long-term prepaid expense	**8,504**	6,296	8,709
Long-term deferred tax assets	**26,711**	33,497	45,279
Other investments	**22,615**	36,496	23,237
Allowance for bad debts	**(3,759)**	(9,907)	(3,951)
Investments, etc.	**332,509**	387,268	326,104
Fixed Assets	**1,288,732**	1,318,103	1,236,730
Deferred Assets	**609**	620	527
Total Assets	**1,867,180**	1,862,277	1,786,513

Consolidated Balance Sheet (continued)

(Unit: Millions of yen)

	First Half ended Sep. 30, 2003	First Half ended Sep. 30, 2002	Fiscal Year ended Mar. 31, 2003
Trade notes & accounts payable	**151,702**	143,652	161,495
Short-term bank loans	**128,861**	137,839	109,087
Commercial paper	**48,779**	95,697	58,845
Current maturities of bonds	**15,208**	66,739	77,266
Non-trade payables	**51,732**	49,403	60,058
Income taxes payable	**20,714**	9,638	13,264
Accrued expenses	**16,887**	20,131	11,094
Deposits received	**29,502**	29,027	26,232
Provision for bonus payments	**10,554**	10,560	9,158
Allowance for scheduled repairs	**1,024**	1,492	2,447
Other current liabilities	**51,551**	38,952	40,924
Current Liabilities	**526,521**	603,135	569,874
Bonds issued	**312,710**	285,093	295,496
Long-term bank loans	**144,049**	155,985	144,987
Long-term deferred tax liabilities	**28,086**	43,075	33,989
Accrued retirement benefits	**66,852**	49,132	57,025
Reserve for retirement bonus for directors	**1,917**	–	–
Reserve for rebuilding furnaces	**14,365**	18,053	16,267
Allowance for structural reform	**21,423**	27,223	23,304
Other long-term liabilities	**18,922**	26,451	19,732
Long-term Liabilities	**608,327**	605,015	590,803
Total Liabilities	**1,134,848**	1,208,151	1,160,677
Minority Interest	**116,893**	70,628	71,999
Common shares	**90,472**	90,472	90,472
Additional paid-in capital	**84,395**	84,395	84,395
Retained earnings	**425,851**	430,405	404,817
Assets revaluation reserve	**121**	117	117
Revaluation of investment in securities	**36,882**	13,756	8,912
Adjustments on foreign currency translation	**(21,100)**	(35,171)	(33,752)
Treasury shares	**(1,184)**	(477)	(1,127)
Shareholders' Equity	**615,438**	583,497	553,835
Total Liabilities, Minority Interest & Shareholders' Equity	**1,867,180**	1,862,277	1,786,513

Consolidated Statement of Income

(Unit: Millions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Net Sales	**661,720**	632,873	1,295,011
Cost of Goods Sold	**504,017**	490,848	1,000,501
Selling, General & Administrative Expenses	**121,547**	113,290	227,034
Operating Profit (Loss)	**36,155**	28,734	67,475
Interest and dividend income	**2,157**	2,542	4,675
Equity in earnings of non-consolidated subsidiaries and affiliates	**1,686**	3,474	4,234
Other non-operating income	**3,340**	2,859	5,900
Non-Operating Income	**7,184**	8,876	14,811
Interest expenses	**6,536**	8,341	16,030
Interest expenses on commercial paper	**138**	324	604
Other non-operating expenses	**3,403**	4,145	8,889
Non-Operating Expenses	**10,079**	12,811	25,524
Recurring Profit	**33,259**	24,799	56,761
Gain on sale of fixed assets	**13,984**	4,061	15,332
Gain on sale of investments in securities	**5,293**	3,360	6,823
Others	**3,720**	2,520	6,782
Extraordinary Profit	**22,997**	9,941	28,937
Loss on disposal of fixed assets	**2,256**	4,065	12,403
Loss on valuation of investments in securities	**313**	2,385	44,220
Loss on restructuring programs	**–**	–	18,720
Others	**2,611**	1,859	4,620
Extraordinary Losses	**5,180**	8,310	79,964
Net Income (Loss) before Taxes	**51,076**	26,431	5,734
Income taxes	**10,299**	8,443	13,259
Income taxes-deferred	**4,709**	(80)	(9,107)
Minority interests in earnings of consolidated subsidiaries	**6,622**	2,847	5,499
Net Income (Loss)	**29,445**	15,220	(3,918)

Summary: Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Net Cash Provided by Operating Activities, including:	**76,412**	81,440	177,264
Net income (loss) before taxes	**51,076**	26,431	5,734
Depreciation expenses	**54,951**	53,650	108,981
Net Cash Provided by (Used in) Investing Activities, including:	**(33,847)**	(91,569)	(114,687)
Acquisition of fixed assets	**(57,520)**	(59,261)	(107,436)
Proceeds from sales of investments in securities	**22,856**	10,706	32,467
Net Cash Provided by (Used in) Financing Activities, including:	**(52,805)**	5,582	(60,913)
Increase (decrease) in debts	**(46,391)**	11,662	(48,204)
Effect of Exchange Rate Changes on Cash & Cash Equivalents	**1,632**	(116)	(116)
Increase (Decrease) in Cash & Cash Equivalents	**(8,608)**	(4,662)	1,546
Balance of Cash & Cash Equivalents at Beginning of Year	**55,282**	52,784	52,784
Reconciliation of cash & cash equivalents related to change in scope of consolidation	**8,174**	951	951
Cash & Cash Equivalents at End of Year	**54,848**	49,072	55,282

Supplementary Information

(1) Consolidated

(Unit: Billions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Capital Expenditure	**53.6**	47.9	98.3
Depreciation	**55.0**	53.7	109.0
Research & Development Expenses	**16.1**	14.7	30.9
Outstanding Interest-bearing Debts	**650.1**	741.4	685.7
Net Interest Expense	**(4.5)**	(6.1)	(12.0)
Debt/Equity Ratio (%)	**0.89**	1.13	1.10
Number of Employees (persons)	**56,506**	50,794	53,728

(2) Non-Consolidated

(Unit: Billions of yen)

	Apr. 1, 2003 – Sep. 30, 2003	Apr. 1, 2002 – Sep. 30, 2002	Apr. 1, 2002 – Mar. 31, 2003
Capital Expenditure	**19.2**	12.9	32.0
Depreciation	**15.4**	16.4	33.6
Research & Development Expenses	**11.3**	10.7	21.8
Outstanding Interest-bearing Debts	**304.7**	346.7	333.7
Net Interest Expense	**3.5**	4.8	5.8
Debt/Equity Ratio (%)	**0.55**	0.62	0.64
Exchange Rate (yen/dollar)	**111.25**	122.00	121.20
Number of Employees (persons)	**6,285**	6,500	6,334

Management Policy

Fundamental Management Policy

It is the fundamental management policy of Asahi Glass, as the world's leading supplier of materials and parts built on its core technologies in glass and fluoric chemicals, to strive to enhance the aggregate business value of its Group by constantly looking toward the future with a forward-looking vision that extends beyond its own realm of business.

All corporate and personal members of the Group are expected to think and act in full accord with "innovation and operational excellence," "diversity," "environment" and "integrity" which have been identified as the four most important corporate values to be shared and pursued among themselves.

Allocation and Distribution of Profits

Asahi Glass pledges to maintain stable dividends, and will calculate dividends based on a consideration of various factors, including consolidated results and dividend payout ratio, to ensure that the expectations of its shareholders will be met. Asahi Glass will also allocate retained earnings to R&D, capital investment, as well as mergers and acquisitions with a view to strengthening its financial position and enhancing shareholder value.

Trading Unit of Common Shares

Asahi Glass finds it a useful measure of revitalizing the market to lower the trading unit of its shares, and recognizes the matter as one of its important management issues. It is the policy of the Company to deal with this matter on the basis of future stock market conditions as well as market trends on trading unit.

Targeted Management Index

The Company aims to steadily improve ROE from the viewpoint of enhancing capital efficiency, targeting an ROE of 10% during the term in *Shrink to Grow 2005* initiatives (from the fiscal year ending in December 2003 to the fiscal year ending in December 2005.)

Medium- and Long-term Strategies and Objectives

The Company defines the following as important management strategies: the concentration of management resources on three major business areas (materials and components for the glazing, display and electronics & energy); enhancing competitiveness to utilize the strength of the group; and implementing management as a global team. In order to realize such strategies, the Company does its utmost across the board to promote the medium-term management plan, *Shrink to Grow* initiatives.

In the *Shrink to Grow* initiatives, the Company implements: 1) *Shrink* measures by reassessing unproductive business and drastically reducing costs; 2) *Grow* measures to achieve corporate growth through global expansion (by enhancing the competitiveness of the core business or by M&A) and through establishment of new businesses where high profitability can be expected; and 3) "management system reforms/measures" by streamlining the organization or the decision-making process while vitalizing its employees.

In *Shrink to Grow 2005* initiatives which are intended for a three year period from the fiscal year ending December 2003 to 2005, the Company promotes, as *Shrink* measures, structural reforms of businesses with a low profitability such as domestic chemical products, exterior housing materials, etc. As *Grow* measures, it strives for the steady growth of the construction and automotive glass, and for expansion of the electronics/display business.

As “management system reforms/measures,” the Company will also implement further streamlining of the corporate governance system, reinforcing a compliance system and performing measures to vitalize global human resources.

Issues to Contend with

With its business environment changing significantly, the Company recognizes that it is most important to steadily implement *Shrink to Grow* initiatives so as to continue to enhance its corporate value.

The construction and automotive glass division is faced with the issue of proactive business expansion in the areas such as China, Southeast Asia, Russia, Mexico, where high growth can be expected. Driven by the restructuring of unprofitable businesses such as the Japanese exterior housing materials and other glass business, the division intends to steadily grow by focusing on high performance glass products for construction such as anti-crime, heat resistant products.

As for electronics/display business, the Company will realize a high growth through measures such as proactive expansion for glass substrates for TFT-LCD and for PDPs, while allocating each operation worldwide to optimize CRT glass production.

The chemicals division is positioning the high performance fluorochemicals and organic/inorganic specialty business as its future core business. Accordingly, the division will conduct structural reform of low-profit businesses, such as domestic chloro-alkalis business.

By more strategically selecting the area to invest the capital, the Company will build a solid financial strength to reduce interest-bearing liabilities.

Basic Concepts for Corporate Governance and the Status of Measures Adopted

The basic policy for streamlining the corporate governance system of the Company is to clearly separate the managerial oversight and execution functions. It is also designed to clearly separate the managerial execution function into a “corporate (supervisory executive) function” and an “operation-execution function.”

More specifically, the regular shareholders’ meeting held in June 2002 resolved that the Company would define its Board of Directors as the organ to approve the basic policy of the Asahi Glass Group and to oversee managerial execution. The meeting also adopted a reform that reduced the number of directors from 20 to seven (of whom two should be outside directors). At the same time, the Company has introduced an executive officer system with newly appointed executive officers, responsible for managerial execution and operations of the Asahi Glass Group, clearly distinguished from directors stipulated in the Commercial Code of Japan.

As a managerial execution structure, the Company introduced the in-house *Company Framework* in

April 2002. At the same time, it shifted from region-oriented business management to management based on consolidated accounts worldwide, while substantially transferring accountability and authority for managerial execution to each *Company* and strategic business units (SBUs).

With sales from each of its *Companies* significantly exceeding ¥200 billion, Asahi Glass regards them as globally operating entities. Among the four business units are Flat Glass, Automotive Glass, Display and Chemicals *Companies*. Asahi Glass also established seven SBUs, whose operations are smaller than those of the *Companies*.

In addition, following the regular shareholders meeting in June 2003, Asahi Glass plans to establish an optional Nominating Committee and Compensation Committee, to further enhance its corporate governance system.

The Nominating Committee is an advisory committee to the Board of Directors that is made up of four directors, including two outside directors. It mainly discusses the requirements desired of directors and executive officers, and selects candidates for those positions (including successors for the posts of president/executive officer) to recommend to the Board of Directors.

The Compensation Committee is an advisory committee to the Board of Directors consisting of four directors, including two outside directors, which mainly discusses compensation principles, the Group's strategies and systems, as well as other areas relevant to compensation for directors and executive officers, for proposal to the Board of Directors. The Compensation Committee also monitors and evaluates performance results and compensation amounts for executive officers.

The Company has also set up a Compliance Committee that specializes in legal compliance and corporate ethics, with the aim of establishing a compliance system. The Compliance Committee consists of a president/execution officer (who is in charge of legal compliance) and vice president/execution officer (who acts as chairperson). In addition, the Company established and disseminated information on principles and standards for employees' conduct, with the aim of ensuring that every member of Asahi Glass complies with codes of conduct based on corporate regulations and ethics laws.

Notes:

For the purpose of this report, yen figures have been translated into U.S. dollars at the rate of U.S.$1.00 = ¥119.13

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