

December 8, 2010

## **AGC and TOSTEM establish three joint-venture companies for “Window” business**

**Aiming to standardize high-performance, high-quality “windows” that contribute solutions to climate change**



Asahi Glass Co., Ltd. (AGC; Head Office: Tokyo; President: Kazuhiko Ishimura) and TOSTEM CORPORATION (TOSTEM; Head Office: Tokyo; President: Toshio Ohtake) have been discussing a business alliance to develop, manufacture, and sell a new high-performance, high-quality “window” that integrates glass and sash since reaching a basic agreement in April 2010. As a result, we established a joint-venture company in October 2010 and have decided to set up two more joint businesses with start-up targeted for February 2011.

### **1. Significance/background of establishing joint-venture companies**

“Windows” consist of glass and sashes. AGC, a leading company in Japan’s glass market, and TOSTEM, a leading company in Japan’s sash market, are both committed to providing products and carrying out business activities in environmentally-sensitive ways for the creation of a sustainable society. While AGC and TOSTEM had individually worked on the development and improvement of the performance of our products, we came to the conclusion that we can contribute further to solving global warming issues if we work together to develop new high-performance, high-quality “windows,” and promote their popularity through efficient manufacturing and sales.

Against this background, we reached a basic agreement in April 2010 to start talks on joint businesses to develop, manufacture, and sell a new high-performance, high-quality “window” that integrates glass and sash, and have had a series of discussions since then. Consequently, we established and launched operation of a joint-venture company in October 2010, and have decided to set up two joint-venture companies with start-up targeted for February 2011.

We are confident that by setting up joint-venture companies and launching “window” business, we can make a significant contribution to reducing CO<sub>2</sub> emissions from housing in Japan.

### **2. Purpose of establishing joint-venture companies**

AGC and TOSTEM will enter into joint ventures with the following purposes.

#### **(1) Development company**

At the development company, AGC and TOSTEM will combine our excellent technologies and develop a new high-performance, high-quality window that integrates a high-end sash and superior quality glass.

(2) Functional glass manufacturing company

Based on AGC Glass Products Co., Ltd. (a wholly-owned subsidiary of AGC), AGC and TOSTEM will integrate our insulating glass manufacturing businesses to become the top manufacturer in Japan with overwhelming cost competitiveness.

(3) Window assembly company

AGC and TOSTEM will establish a new window assembly company under the initiative of TOSTEM. This company will ensure quality performance indication/guarantee for windows and will be equipped with power-saving production lines that enable efficient operations.

3. Outline of joint-venture companies

(1) Development company

(1) Corporate name	AGC-LIXIL Window Technology Inc.
(2) Representative	Satoru Yamanaka
(3) Capital structure (investment ratio)	AGC: 50%; TOSTEM: 50%
(4) Location of Head Office	2-1-1, Ojima, Koto-ku, Tokyo
(5) Date established	October 1, 2010

(2) Functional glass manufacturing company

(1) Corporate name	AGC Glass Products Co., Ltd.
(2) Representative	Shinichi Harada
(3) Capital structure (investment ratio)	AGC: 70%; TOSTEM: 30% *
(4) Location of Head Office	4-24-11, Higashi Ueno, Taito-ku, Tokyo
(5) Date established	February 1, 2011 (scheduled date)

\*Final investment ratio

(3) Window assembly company

(1) Corporate name	LIXIL Window Products Co., Ltd.
(2) Representative	Katsuhiko Yamada
(3) Capital structure (investment ratio)	TOSTEM: 70%; AGC: 30% *
(4) Location of Head Office	2-1-1, Ojima, Koto-ku, Tokyo
(5) Date established	February 1, 2011 (scheduled date)

\*Final investment ratio

4. Corporate profiles

(1) Trade name	Asahi Glass Co., Ltd.	TOSTEM CORPORATION
(2) Location	1-12-1, Yurakucho, Chiyoda-ku, Tokyo 100-8405 JAPAN	2-1-1, Ojima, Koto-ku, Tokyo 136-8535 JAPAN
(3) Representative	Representative Director, President Kazuhiko Ishimura	Representative Director, President Toshio Ohtake
(4) Date of foundation	June 1, 1950	October 1, 2001
(5) Capital	90.9 billion yen	34.6 billion yen
(6) Main line of business	Manufacture and sell glass, electronics products, display products, and chemical products.	Manufacture and sell housing and building materials.

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