

July 8, 2009

Corporate Name: Asahi Glass Co., Ltd.
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Notice of Transfer of Equity in Hunan HEG Electronic Glass Co., Ltd.

Hankuk Electric Glass Co., Ltd., a subsidiary of Asahi Glass Co., Ltd. (“AGC”), passed a resolution at its Executive Board meeting held on July 8, 2009, to transfer its entire equity in Hunan HEG Electronic Glass Co., Ltd., which is its wholly-owned subsidiary, engaged in the manufacturing and sale of CRT glass.

1. Reason for the transfer of equity

This transfer of equity will be executed as part of Hankuk Electric Glass’ efforts for restructuring its production system following the drop in demand for CRT glass.

2. Outline of Hunan HEG Electronic Glass Co., Ltd.

- (1) Corporate Name: Hunan HEG Electronic Glass Co., Ltd.
- (2) Representative: Hiroaki Aimu, Chairman
- (3) Location: Hunan Province, People’s Republic of China
- (4) Date of foundation: March 31, 2003
- (5) Main line of business: Manufacturing and sale of CRT glass
- (6) Amount of capital: RMB 1,316 million (as of the end of June 2009) (about 18.5 billion yen)
- (7) Major equity holder and its percentage of holding equity: Hankuk Electric Glass: 100% (before transfer of equity)
- (8) Capital ties with AGC: AGC indirectly takes a 100% stake in Hunan HEG Electronic Glass Co., Ltd. through its subsidiary Hankuk Electric Glass.
- (9) Personal relationship with AGC: Two employees of AGC, who have temporarily been transferred to Hankuk Electric Glass, concurrently serve as officers of Hunan HEG Electronic Glass Co., Ltd..
- (10) Business relationship with AGC: Not applicable

(11) Financial conditions and operating results for the past three years

Millions of won (million yen)

	FY 2006 (ended December 2006)	FY 2007 (ended December 2007)	FY 2008 (ended December 2008)
Net assets	15,821 (2,028)	△38,611 (△4,695)	△73,314 (△5,330)
Total assets	207,379 (26,586)	143,316 (17,427)	182,076 (13,237)
Net sales	76,534 (9,391)	61,820 (7,833)	70,038 (6,668)
Operating income	△28,025 (△3,439)	△14,383 (△1,822)	△17,152 (△1,633)
Ordinary income	△58,158 (△7,136)	△52,703 (△6,677)	△17,221 (△1,639)
Net income	△58,158 (△7,136)	△52,703 (△6,677)	△17,221 (△1,639)

* Net assets and Total assets are translated based on the rate of the end of each fiscal year, and the others are translated based on the average rate of each fiscal year.

3. Outline of Hankuk Electric Glass

- (1) Corporate name: Hankuk Electric Glass Co., Ltd.
- (2) Representative: Hiroaki Aimu, Representative Director & Chairman
- (3) Location: Gumi, Republic of Korea
- (4) Main line of business: Manufacturing and sale of CRT glass
- (5) Amount of capital: 40,366 million won (as of the end of June 2009) (about 3 billion yen)
- (6) Major shareholders and their percentages of holding shares: AGC: 51.5%;
LG Electronics Inc.: 20.0%

4. Outline of the successor of equity

Corporate name	Hunan Electronic Information Industry Group Co., Ltd.	Golden Apple International Investment Co., Ltd.
Representative	Deng Junmin, President	Zhao Haibing, Chairman
Location	Hunan province, People's Republic of China	The Hong Kong Special Administrative Region of People's Republic of China
Main line of business	Investment, R&D, production and management in electronic information industry, etc.	Trading
Amount of capital	RMB 784 million (as of the end of June 2009) (about 11 billion yen)	HKD 10 thousand (as of the end of June 2009) (about 130 thousand yen)
Date of foundation	November 14, 1996	July 11, 1995
Net assets as of the end of the previous fiscal year	RMB 725 million (as of the end of December 2008) (about 9.7 billion yen)	HKD 5.8 million (as of the end of June 2008) (about 74 million yen)
Total assets as of the	RMB 1,289 million (as of the end	HKD 28.0 million (as of the end of

end of the previous fiscal year	of December 2008) (17.2 billion yen)	June 2008) (about 359 million yen)
Major shareholder and its percentage of holding shares	Hunan Jinguo Industrial Co., LTD.: 77.0%	—
Relationship with AGC	There are no capital ties or other relationships between Hunan Electronic Information Industry Group Co., Ltd. and AGC.	There are no capital ties or other relationships between Golden Apple International Investment Co., Ltd. and AGC.

5. Status of holding equity prior and subsequent to the transfer of equity

- (1) Percentage of holding equity prior to the transfer of equity: 100% (owned by Hankuk Electric Glass)
- (2) Percentage of holding equity transferred: 100%
- (3) Percentage of holding equity subsequent to the transfer of equity: 0%

6. Schedule

July 2009: Signing of agreement of transfer of equity

October 2009: Completion of procedures for transfer of equity

7. Impact on earnings

We expect to post extraordinary losses of about 11 billion yen accompanying the transfer of equity in Hunan HEG Electronic Glass Co., Ltd. and write-down of its assets. However, we have already incorporated such extraordinary losses into our consolidated earnings projections for the first half and the full year of Fiscal 2009 ending December 2009, and there are no revisions to the projections at present.