

June 19, 2007

**Asahi Glass Succeeds in the Development of
a New Modified PFPE for Hard Disk Lubricants Using its Proprietary Technology**

Asahi Glass Co., Ltd. (Headquarters: Tokyo; President: Masahiro Kadomatsu) has succeeded in the development of a modified perfluoropolyether (PFPE) for hard disk lubricant. The new product exhibits low viscosity, low water absorption and low friction properties while maintaining the other excellent properties of modified PFPE such as high adhesiveness, heat stability and resistance to chemicals and solvent because it is produced by applying the proprietary direct fluorination technology of Asahi Glass (i.e. PERFECT Method).

In the hard disk drives (HDD), slider-head writes on and reads data from a disk. As the recording density is increased each year, the head-disk clearance is getting narrower which makes the chance of head touching down and taking off more frequently. Under these conditions, the performance of lubricant plays a key role. In order for the slider-head to take off again smoothly from the disk, it is necessary that the lubricant oil applied on the surface of disk exhibits both low viscosity and friction properties. However, the conventional modified PFPE have some limitation to improve such properties due to their limited chemical structures and the number of functional groups.

With the new product developed successfully by the Company, we were able to improve both of the properties by applying the PERFECT Method, which is a proprietary fluorination technology of Asahi Glass, while keeping the other excellent properties of modified PFPE such as high adhesiveness, heat stability, and resistance to chemicals and solvent. And this product is expected to meet the future trend of HDDs, too.

In the medium-term management plan “*JIKKO-2007*”, the Company positioned both fluorochemicals and specialty chemicals businesses as a growth business of Chemicals Company and declared to focus on product group in which the Company can exhibit advantages. The new product is expected to have wide range of applications other than HDDs as a new type of modified PFPE, thus offering tremendous growth potential in the Chemicals business of the Company.

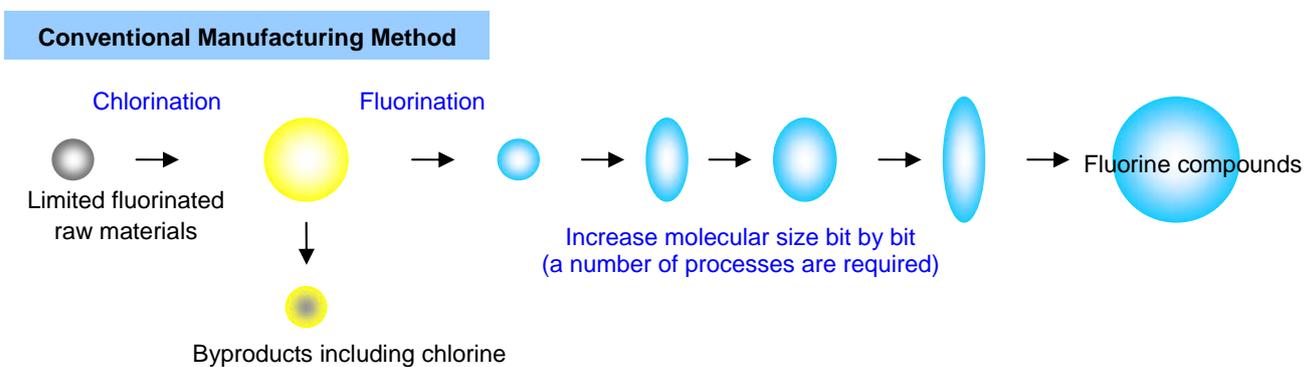
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Appendix

PERFECT Method

In the conventional fluorination technology, products are manufactured through a number of reactions such as chlorination and fluorination. However, we have only limited kinds of fluorinated raw materials commercially available and molecular structures constructible are also limited. In the meantime, our proprietary PERFECT Method uses hydrocarbon raw materials that are manufactured more freely through general organic synthesis to make fluorine compounds while maintaining the molecular structure as it is, thus enabling us to manufacture products with a molecular structure that has a degree of freedom higher than before. In addition, it is a very clean process requiring shorter production time and no solvent, yielding no byproducts other than hydrogen.



PERFECT Method

1. Essentially yielding only hydrogen as byproduct.
2. No use of solvent.
3. Process can be cut short.

