

December 21, 2007

Corporate Name: Asahi Glass Co., Ltd.
President & CEO: Masahiro Kadomatsu
(Code Number: 5201; TSE 1st section)
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New Announcement of Corporate Demerger and Share Transfer of Asahi Fiber Glass Co., Ltd.

As already announced on September 12, 2007, Asahi Glass Co., Ltd. completed to divest the glass wool and industrial materials operations from Asahi Fiber Glass Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President & CEO: Akira Kitsunozuka) and transfer the entire shares of the newly established company on November 1, 2007. The Company decided the details, which were undecided on September 12, 2007, as follows.

1. Overview of the Parties to the Demerger

(1) Overview of Demerged Company

Corporate Name	AGC Estate Co., Ltd. (former corporate name: Asahi Fiber Glass Co., Ltd.)
Location of Head Office	1-12-1 Yurakucho, Chiyoda-ku, Tokyo
Representative	Kazuo Iwai, President

(2) Overview of Newly Established Company

Corporate Name	Asahi Fiber Glass Co., Ltd.
Capital	310 million yen
Total Assets	16,439 million yen

2. Items and Amounts of Assets and Liabilities to be Demerged

The amount of assets transferred to the newly established company is expected to be about 16.4 billion yen, and the amount of liabilities to be about 8.7 billion yen.

3. Change in Transfer Price

The transfer price was revised to 16.19 billion yen (before revision: 16.05 billion yen).

4. Financial Impacts on Business Performance

While the share transfer is expected to give rise to a consolidated extraordinary gain of approximately 8.4 billion yen and a non-consolidated extraordinary gain of 6.2 billion yen in the fiscal year ending December 2007, the impact has already factored into the outlook of operating results.