



February 5, 2008

Company Name: Asahi Glass Co., Ltd.

Representative: Masahiro Kadomatsu, President & CEO

(Code Number: 5201; TSE 1st section)

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Notice of Merger with the Wholly-Owned Subsidiary AGC Estate Co., Ltd.

At the Board of Directors meeting held on February 5, 2008, Asahi Glass Co., Ltd. (the Company) made a resolution that the Company would merge with its wholly-owned consolidated subsidiary AGC Estate Co., Ltd. by the method of small scale merger and short form merger on April 1, 2008. Therefore, the Company would like to notify as follows.

The disclosure items and details for this merger have been partially omitted since it is a merger with a wholly-owned subsidiary.

1. Purpose of merger

AGC Estate Co., Ltd., whose trade name was changed from Asahi Fiber Glass Co., Ltd., is a divided company that has continued as a holding company of the nonbusiness properties after the stock transfer of Asahi Fiber Glass Co., Ltd. The Company decided to merge with AGC Estate Co., Ltd. for the improved business efficiencies, cost reduction and efficient use of the assets held.

2. Summary of merger

(1) Schedule of merger

Board of Directors to approve the merger agreement: February 5, 2008

Execution of the merger agreement: February 5, 2008

Shareholders' meeting to approve the merger agreement:

- AGC Estate Co., Ltd.: not held in accordance with Paragraph 1, Article 784 of the Corporation Law

- Asahi Glass Co., Ltd.: not held in accordance with Paragraph 3, Article 796 of the Corporation Law

Effective date of merger: April 1, 2008 (tentative)

Registration of merger: April 1, 2008 (tentative)

(2) Method of merger

The Company will become a surviving company, and AGC Estate Co., Ltd. will be dissolved.

The Company will hold the whole of the outstanding shares of AGC Estate Co., Ltd., so the Company will not issue new shares or increase capital upon merger.

3. Summary of merged companies

(As of December 31, 2007)

(1)	Trade name	Asahi Glass Co., Ltd. (combined company)	AGC Estate Co., Ltd. (predecessor company)
(2)	Business	Manufacturing and sales of glass products, chemical products, electronic and display materials	Leasing of lands and buildings
(3)	Established	June 1, 1950	November 1, 1956
(4)	Site of headquarter	1-12-1 Yuraku-cho, Chiyoda-ku, Tokyo	1-12-1 Yuraku-cho, Chiyoda-ku, Tokyo
(5)	Representative	Masahiro Kadomatsu, CEO	Kazuo Iwai, CEO
(6)	Capital	90,859 million yen	6,000 million yen
(7)	Number of shares outstanding	1,186,682,105 shares	26,000,000 shares
(8)	Capital stock (on a parent basis)	541,612 million yen	2,196 million yen
(9)	Total assets (on a parent basis)	1,201,717 million yen	5,282 million yen
(10)	Closing period	December	December
(11)	Number of employees	5,840	0
(12)	Major business partners	AGC Display Glass Taiwan Co., Ltd., Sharp Corporation, etc.	Asahi Glass Co., Ltd.
(13)	Major shareholders and shareholding ratio	The Master Trust Bank of Japan 7.97% Japan Trustee Services Bank 5.79% Meiji Yasuda Life Insurance 4.21% Tokio Marine & Nichido Fire Insurance 3.98% Nippon Life Insurance 3.07%	Asahi Glass 100%
(14)	Major bank	Bank of Tokyo-Mitsubishi UFJ	Bank of Tokyo-Mitsubishi UFJ
(15)	Relationships of parties	- Capital relationship : AGC Estate is a wholly-owned subsidiary of Asahi Glass - Human relationship : CEO of AGC Estate is an employee of Asahi Glass - Transaction relationship : AGC Estate accepts real estate related business from Asahi Glass	

(16) Results of the most recent fiscal years (millions of yen)

Closing period	Asahi Glass Co., Ltd. (combined company)			AGC Estate Co., Ltd. (predecessor company)		
	December 2005	December 2006	December 2007	December 2005	December 2006	December 2007
Sales	576,229	637,050	634,870	33,809	24,661	18,628
Operating profit	46,554	61,247	73,370	1,243	829	464
Ordinary profit	62,504	73,607	83,023	1,310	1,018	559
Net profit	43,008	(31,807)	52,863	(2,828)	2,002	(3,130)
Net profit per share (yen)	36.81	(27.12)	45.06	(108.76)	77.01	(120.39)
Dividend per share (yen)	15.00	16.00	20.00	—	—	276.63
Capital stock per share (yen)	578.15	536.00	546.14	404.48	481.50	84.47

* Fiscal years ended in December 2005 and ended in December 2006 of AGC Estate Co., Ltd. are those of Asahi Fiber Glass Co., Ltd.

* Fiscal year ended in December 2007 of AGC Estate Co., Ltd. includes the results of Asahi Fiber Glass Co., Ltd. from January to October.

* Stock dividend was paid due to the corporate division of Asahi Fiber Glass which was implemented on November 1, 2007.

* () indicates losses.

4. Conditions after Merger

- (1) Trade name: Asahi Glass Co., Ltd.
- (2) Business: Manufacturing and sales of glass and chemical products
- (3) Site of headquarter: 1-12-1 Yuraku-cho, Chiyoda-ku, Tokyo
- (4) Representative: Masahiro Kadomatsu, CEO
- (5) Capital: 90,859 million yen (no increase of capital as a result of merger)
- (6) Total assets: 1,201,717 million yen (as of end of December 2007)
- (7) Closing period: December
- (8) Future prospect: The business efficiency improvement, the cost reduction and the effective use of the assets held of the Group are expected as a result of this merger. Further, the influences of this merger are deemed insignificant.