

May 16, 2008

Asahi Glass to Acquire a Company engaged in Polishing Large TFT-LCD glass substrates

Asahi Glass Co., Ltd.

Asahi Glass (Head office: Tokyo; President: Kazuhiko Ishimura) has decided to acquire SCHOTT Processing Korea Co., Ltd. (Head office: Cheongwon-gun, Chungcheongbuk-do, Korea; hereafter, "SPK"), a wholly owned Korean subsidiary of Germany's SCHOTT AG engaged in polishing large glass substrates for TFT-LCD (thin-film transistor liquid crystal display). Once this acquisition has been approved by the Korea Fair Trade Commission, Asahi Glass will begin the process of acquiring all shares of SPK from SCHOTT AG.

SPK was established by SCHOTT AG in March 2005 to supply TFT glass to the Korean market. Recently, Asahi Glass reached an agreement with SCHOTT AG under which it would acquire all shares of SPK. At present, Asahi Glass already has a subsidiary in Gumi City, South Korea – Asahi Glass Fine Techno Korea Co., Ltd.– which manufactures and sells TFT glass, and the acquisition of SPK will give Asahi Glass a second production base in Korea and allow it to establish a more flexible production structure in the country. Furthermore, by acquiring SPK, Asahi Glass will be able to utilize the land and facilities and the existing infrastructure can be used effectively. Thus, SPK indeed offers favorable conditions, allowing Asahi Glass to respond to the expanding market for TFT glass.

After acquiring SPK, Asahi Glass intends to change the subsidiary's name, but at present the new name has not been determined.

Asahi Glass will continue to expand facilities as necessary, while giving full consideration to trends in demand for glass substrates and an increase in production capacity at its existing manufacturing facilities in Japan, South Korea and Taiwan, and will also stably supply products that meet the needs of customers by leveraging its strengths in the float production method and technologies for polishing large glass substrates.

For further information on this press release, please contact Toshihiro Ueda, General Manager, Corporate Communications and Investor Relations, Asahi Glass Co., Ltd.

(Direct inquiries to: Yoshihiko Saito, Telephone: +81-3-3218-5509, Email: info-pr@agc.co.jp)

Reference

1. Asahi Glass production bases for TFT-LCD glass substrates

Japan: Keihin Plant, Kansai Plant, Takasago Plant and AGC Display Glass Yonezawa Co., Ltd.
(Yonezawa, Yamagata Prefecture)

Taiwan: AGC Display Glass Taiwan Co., Ltd. (Douliu and Tainan, Taiwan)

South Korea: Asahi Glass Fine Techno Korea Co., Ltd. (Gumi, South Korea), **SPK [Purchase target]**

2. Outline of SCHOTT Processing Korea Co., Ltd.

- (1) Location: Cheongwon-gun, Chungcheongbuk-do, South Korea
- (2) Capitalization 755 million Won
- (3) Ownership: 100% owned by SCHOTT AG
- (4) Established: March 2005
- (5) Number of employees: approx. 120