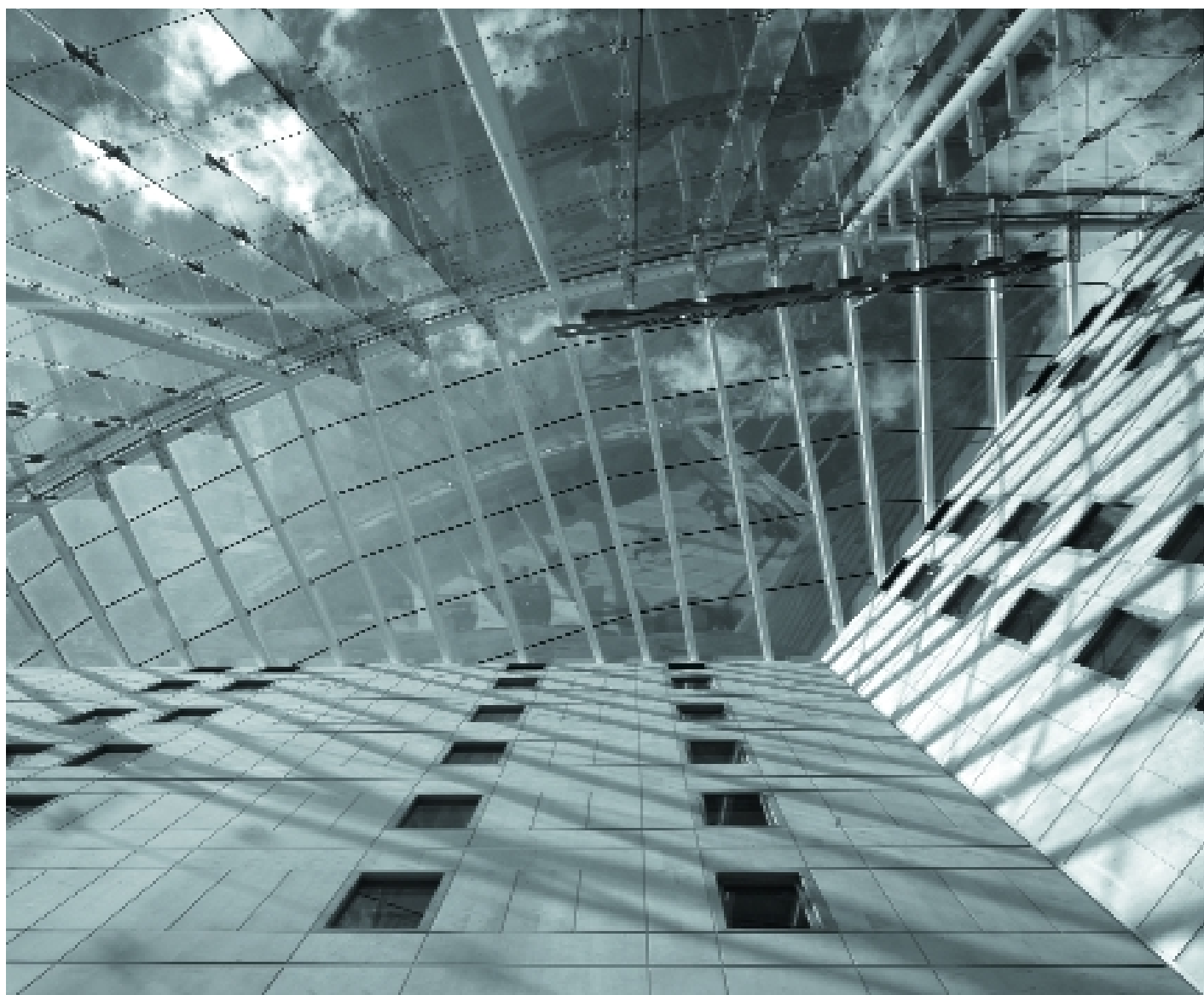




PILKINGTON

INTERIM REPORT

Half year to 30th September 2003



GLASS FOR THE WORLD'S BUILDINGS AND VEHICLES

OUR BUSINESS

Pilkington plc is one of the world's largest manufacturers of glass and glazing products for the building and automotive markets. Employing 24,500 people we have manufacturing operations in 24 countries and sales in over 130.

With our joint ventures and our associates, we have the widest geographical reach of any glassmaker, enabling us to respond to customers whose operations are increasingly global.

Geographically, over half our sales are in Europe, more than a third are in North America, and the rest are primarily in South America and Australasia.

Our operations centre on two worldwide business lines:

Building Products supplying original equipment and refurbishment glass for the world's buildings; and

Automotive Products supplying glass and glazing systems to the original equipment and replacement glazing markets.

Front cover image: A new Pilkington Planar™ glazing façade played a key role in the striking transformation of the Kensington Marriott Hotel in London. The glass atrium is supported by 20 metre high toughened glass fins and is one of the tallest single glass constructions ever installed in Europe. Photographer Morley von Stenberg.

FINANCIAL RESULTS

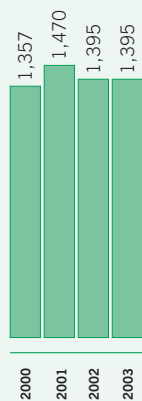
Key features of the half year to 30th September 2003

- Robust results despite tough trading conditions.
- Operating profit including joint ventures and associates £114 million – up four per cent on the first half of last year.
- Profit before goodwill amortisation, exceptional items and taxation £84 million – up 11 per cent.
- Earnings per share excluding exceptional items up from 2.7 pence to 3.8 pence, basic earnings per share up from 2.8 pence to 3.1 pence.
- Interim dividend maintained at 1.75 pence per share.
- Free cash flow, before the benefit of disposals improved from £47 million to £89 million.
- Borrowings reduced by 10 per cent in six months to £775 million.

Half years to 30th September

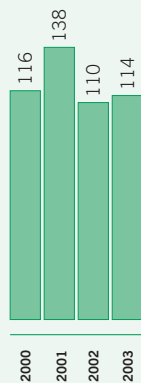
Turnover
(including share
of joint ventures
and associates)

£ MILLION



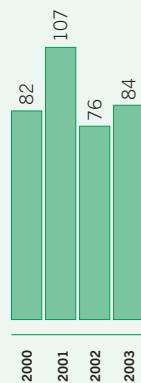
Operating profit
(including share
of joint ventures
and associates)

£ MILLION



Profit before goodwill
amortisation,
exceptional items
and tax

£ MILLION



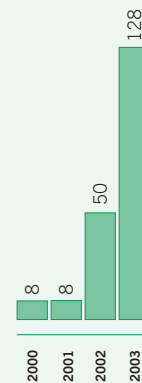
Cash flow
from operations

£ MILLION



Cash flow before
dividends, use of
liquid resources
and financing

£ MILLION



Non-statutory disclosures are reconciled to the statutory disclosures in note 4 to the financial statements.

CHAIRMAN'S STATEMENT

SIR NIGEL RUDD



As was indicated at the time of the annual general meeting, conditions in most of Pilkington's major markets remain difficult. Despite this, the Group continues to make good progress with further improvements in our manufacturing performance and cost reduction. Overall, these results are in line with expectations, with profit before the amortisation of goodwill, exceptional items and taxation ahead by 11 per cent on the first half of 2002, when results were depressed by the effects of routine but essential engineering work. Continued emphasis on free cash flow generation enables Pilkington to report another strong cash performance.

RESULTS

Turnover in the first half year including joint ventures and associates was £1.4 billion, the same as the first half of last year. Operating profits of Group businesses of £98 million represented an increase of £11 million over the first half of last year, when results were affected by a series of plant closures for routine repairs. Operating profits of joint ventures and associates fell £7 million to £16 million. This was mainly due to reduced profits at Vitro Plan SA de CV (VVP) in Mexico, and the temporary halt to production during the first half year at the Group's joint venture float plant in France.

EXCEPTIONAL ITEMS

Exceptional items in the half year amounted to £9 million and arose from the termination of the Automotive Glass Replacement operations in New Zealand and the Building Products toughening and laminating operations in Brazil.

Regulatory approvals for the sale of the Pilkington Aerospace business to GKN have been obtained and the disposal was completed at the end of September 2003. The disposal generated net proceeds of £42 million; after the write off of £4 million of goodwill, previously written off directly to reserves in past years, there was no impact to the profit and loss account.

EARNINGS AND DIVIDENDS

Earnings per share before exceptional items increased from 2.7 pence to 3.8 pence and basic earnings per share increased from 2.8 pence to 3.1 pence. The interim dividend has been maintained at 1.75 pence per share, and will be paid on 19th December 2003 to shareholders on the register at 5th December 2003.

CASH FLOW AND BORROWINGS

Free cash flow (net cash inflow before dividends, before acquisition/disposal proceeds) of £89 million was £42 million better than the first half of last year, which

'The Group's results in the first six months of the year confirm the expectations we set out in our previous statements, reflecting continued difficult trading conditions in most of our markets. Despite the market background and a reduction in operating profits of our joint ventures and associates, Group profit before amortisation of goodwill, exceptional items and taxation was up 11 per cent on the first half of 2002, underpinned by the efficiency improvements resulting from the extensive restructuring of recent years. In addition, our recent emphasis on free cash flow generation has enabled management to deliver a strong cash performance, enabling Pilkington to pay down debt by ten per cent, in line with our stated objective of strengthening the financial position of the Group.'

represents a formidable achievement in tough worldwide market conditions, and demonstrates the vigour with which Pilkington is targeting the generation of cash as part of its strategy. Together with the £40 million of cash received in respect of the Pilkington Aerospace disposal, this enabled net debt to be reduced by ten per cent in the first half year to £775 million.

REVIEW OF OPERATIONS

Building Products

With the exception of the UK and Australia, Building Products markets have continued to be weak and Building Products sales, excluding joint ventures and associates, of £628 million, were just ahead of the first half of last year. Efficiency improvements and cost savings resulted in operating profit before amortisation of goodwill being maintained at £67 million.

In Europe, our Building Products business, which represents around two thirds of Building Products in total, continues to be adversely affected by the economic situation on the continent, particularly in Germany. By contrast, trading performance in the UK has held up well, supported by good sales of energy-saving Pilkington K Glass™. On average float prices across Europe are

slightly down since the beginning of the financial year.

Building Products North America, representing 14 per cent of total Building Products sales, continues to be affected by the weakness in commercial construction, where Pilkington is the leading North American glass supplier. Office vacancy rates are high, making near-term market improvement unlikely. However, operational improvements continue to come through from the North American 'Step Change' programme, lifting operating profits over last year, despite the difficult commercial construction market.

Building Products sales of our 35 per cent Mexican associate, Vitro Plan SA de CV (VVP) were £76 million, a reduction of approximately 12 per cent, due to competitive pressure in the domestic market. Export sales, on the other hand, benefited from the weaker peso. The one-off closure costs of a patterned glass line also impacted operating profits.

In South America our Building Products businesses continue to perform well. Market conditions in Brazil are difficult, but we are benefiting from the improved economic environment in Argentina. Overall operating profits from South America are ahead of the first half of last year. Our Australasian business, with 11 per cent of Building Products sales, continues to perform well with

profits at a similar level to this time last year.

In China, the Group's main investment, SYP, has seen both sales and profits increase over the comparable period, with growth coming from improved sales of processed architectural glass products, as China experiences increased demand for more high performance glass in construction projects.

In September we announced the formation, with Emerging Markets Partnership (EMP), of a 50:50 joint venture to construct and operate a float glass plant in the Moscow region of Russia. The investment will be financed by £21 million of equity each from Pilkington and EMP, and from project loans. Pilkington's equity investment will be made over the next two years. The plant, to be built and operated by Pilkington, will have a sales capacity of approximately 240,000 tonnes per annum and is planned to come on stream in 2005. The plant represents a first step in establishing a growth opportunity for Pilkington in Russia, an important expanding market for glass.

Automotive Products

Despite subdued automotive markets, successes with new models featuring Pilkington glass resulted in Automotive Products sales, excluding associates and joint ventures, rising three per cent to £614 million. Continued

good progress in cost reduction and manufacturing improvements lifted operating profit before amortisation of goodwill to £44 million, 19 per cent up on the first half of last year.

Just over half of the Group's Automotive glass sales take place in Europe. Whilst light vehicle production in the Western European market slowed in the first half, sales of Pilkington Original Equipment (OE) products increased, with good gains on new model introductions and higher shipments of specialised OE applications (bus, coach and truck). The European Automotive Glass Replacement (AGR) business has held up well. In total European Automotive profits are up, due to sustained improvement in manufacturing efficiencies and a relentless focus on cost reduction.

Approximately 40 per cent of the Group's Automotive business is in North America. Despite regional light vehicle build running around five per cent down on last year, demand for Pilkington OE products held up well. The North American aftermarket was also down, which together with competitive pressures resulted in lower Pilkington AGR sales. Nevertheless the business continues to benefit from operational improvements, and overall profits in Automotive North America are at similar levels to last year.

In South America, representing approximately

five per cent of the Group's total Automotive glass sales, Pilkington sales were ahead of last year despite lower light vehicle production. The combination of higher sales, increased productivity and improved plant efficiencies has resulted in an increase in our operating profits in the region.

Results in Australia show improvement over last year, reflecting efficiency improvements and a more favourable trading environment.

VVP automotive glass sales were £36 million, down 19 per cent. In China, the vehicle market continued its rapid growth with light vehicle production up 18 per cent. Sales of our Chinese automotive subsidiaries increased by over 20 per cent.

FINANCE AND TAXATION

In the first half of last year the Group's interest charge included £6 million of non-cash exchange losses relating to the US dollar denominated loans of our associate VVP. This has not recurred this year. Interest costs in total, which have benefited from refinancing borrowings at lower cost and from lower interest rates generally, are down on the first half of last year.

The underlying rate of tax on pre-exceptional profits has been reduced by two per cent to 33 per cent. This arises from a higher proportion of profits being generated

in areas where the local tax rates are lower than the Group's effective rate, and as a result of the Group's refinancing and restructuring arrangements.

OUTLOOK

Pilkington's strategy has three clear stages: to continue to improve operational performance; to generate cash to strengthen the Group financially; and to generate cash to invest in growth. The benefits of Pilkington's extensive restructuring of the last six years are evident in our improved operational efficiency and robustness. With Pilkington currently in the second stage of its strategy and demonstrating our capability to generate cash we are in a good position to withstand the testing trading conditions which we expect to continue over the rest of the financial year.

Sir Nigel Rudd
Chairman

GROUP PROFIT AND LOSS ACCOUNT

	Note	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Turnover				
Group's continuing operations	1	1,243	1,224	2,414
Share of joint ventures' and associates' turnover	3	152	171	340
Turnover including joint ventures and associates		1,395	1,395	2,754
Operating profit				
Group's continuing operations	1	98	87	175
Share of joint ventures and associates	3	16	23	42
Operating profit including joint ventures and associates		114	110	217
Exceptional items	5	(9)	1	(4)
Profit before investment income and interest		105	111	213
Investment income		–	–	1
Net interest payable and similar charges	6	(34)	(39)	(74)
Profit on ordinary activities before taxation		71	72	140
Taxation	7	(26)	(25)	(49)
Profit on ordinary activities after taxation		45	47	91
Minority interests (including non-equity)		(6)	(12)	(23)
Profit attributable to shareholders		39	35	68
Dividends	12	(22)	(22)	(63)
Retained profit of the Group		17	13	5
Earnings per share				
Earnings per share	8	3.1p	2.8p	5.4p
Fully diluted earnings per share	8	3.1p	2.8p	5.4p
Dividends per share	12	1.75p	1.75p	5.0p
Profit before amortisation of goodwill, exceptional items and taxation	4	84	76	153
Profit before exceptional items and taxation		80	71	144
Earnings per share (excluding exceptional items)	4	3.8p	2.7p	5.8p

GROUP BALANCE SHEET

	30th September 2003 £m	30th September 2002 £m	31st March 2003 £m
Assets employed			
Fixed assets			
Intangible fixed assets	152	155	158
Tangible fixed assets	1,439	1,440	1,520
Joint ventures, associates and trade investments	186	192	181
	1,777	1,787	1,859
Current assets			
Stocks	373	378	383
Debtors	472	469	464
Investments – marketable	37	20	33
Cash at bank and in hand	86	44	42
	968	911	922
Creditors – amounts falling due within one year	(672)	(586)	(670)
Net current assets	296	325	252
Total assets less current liabilities	2,073	2,112	2,111
Financed by			
Creditors – amounts falling due after more than one year	739	651	793
Provisions for liabilities and charges	509	499	516
	1,248	1,150	1,309
Deferred income	20	20	21
	1,268	1,170	1,330
Capital and reserves			
Called up share capital	636	628	630
Reserves	71	28	54
Total equity shareholders' funds	707	656	684
Minority interests	98	286	97
	2,073	2,112	2,111

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Profit attributable to shareholders	39	35	68
Other recognised losses:			
Exchange rate movements on foreign currency net investments arising in the period	(6)	(65)	(33)
Total recognised gains/(losses)	33	(30)	35

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Profit attributable to shareholders	39	35	68
Dividends	(22)	(22)	(63)
Exchange rate movements on foreign currency net investments	(6)	(65)	(33)
Goodwill written back on disposal of Aerospace businesses (note 5)	4	–	–
Shares issued	6	1	3
Premium on shares issued	2	–	2
Net increase/(decrease) in shareholders' funds	23	(51)	(23)
Shareholders' funds at beginning of the period	684	707	707
Shareholders' funds at end of the period	707	656	684

GROUP CASH FLOW STATEMENT

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Net cash inflow from operating activities (note 10)	176	154	367
Dividends received from joint ventures and associates	1	14	24
Net cash outflow from returns on investments and servicing of finance	(28)	(33)	(73)
Taxation paid	(16)	(14)	(22)
Net cash outflow from capital expenditure	(44)	(74)	(161)
Net cash inflow from acquisitions and disposals	39	3	3
Net cash inflow before dividends, management of liquid resources and financing	128	50	138
Equity dividends paid by parent company	(33)	(38)	(58)
Net cash inflow before use of liquid resources and financing	95	12	80
Management of liquid resources	(4)	(7)	(20)
Net cash outflow from financing	(89)	–	(74)
Increase/(decrease) in cash	2	5	(14)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Net debt at start of the period	(861)	(704)	(704)
Increase/(decrease) in cash in the period	2	5	(14)
Cash outflow from management of liquid resources	4	7	20
Net decrease/(increase) in loans	77	7	(144)
Net decrease in obligations under finance leases	2	7	19
Exchange rate adjustments	1	(11)	(38)
Net debt at end of the period	(775)	(689)	(861)

NOTES ON GROUP RESULTS

	Half year to 30th September 2003		Half year to 30th September 2002		Year to 31st March 2003	
	Turnover £m	Operating profit/(loss) £m	Turnover £m	Operating profit/(loss) £m	Turnover £m	Operating profit/(loss) £m
1 SEGMENTAL ANALYSIS OF TURNOVER AND OPERATING PROFIT						
Building products	628	67	624	67	1,216	137
Automotive products	614	44	597	37	1,183	67
Group operations and technology management	1	(9)	3	(12)	15	(20)
Goodwill amortisation	-	(4)	-	(5)	-	(9)
	1,243	98	1,224	87	2,414	175
Segmental analysis with goodwill amortisation analysed to business lines:						
Building products	628	64	624	64	1,216	132
Automotive products	614	43	597	35	1,183	63
Group operations and technology management	1	(9)	3	(12)	15	(20)
	1,243	98	1,224	87	2,414	175
Europe	765	60	725	70	1,458	134
North America	317	22	348	12	651	25
Rest of the world	160	25	148	17	290	36
Group operations and technology management	1	(9)	3	(12)	15	(20)
	1,243	98	1,224	87	2,414	175

	30th September 2003 £m	30th September 2002 £m	31st March 2003 £m
2 SEGMENTAL ANALYSIS OF NET OPERATING ASSETS			
Building products	799	766	822
Automotive products	578	626	638
Group operations and technology management	10	2	(2)
Goodwill	152	155	158
	1,539	1,549	1,616
Segmental analysis with goodwill analysed to business lines:			
Building products	897	865	920
Automotive products	632	682	698
Group operations and technology management	10	2	(2)
	1,539	1,549	1,616
Europe	1,044	1,006	1,065
North America	238	299	286
Rest of the world	247	242	267
Group operations and technology management	10	2	(2)
	1,539	1,549	1,616

Net operating assets comprise intangible fixed assets, tangible fixed assets, stocks, debtors and creditors. Creditors exclude loans and overdrafts, taxation on profits, finance leases and dividends. Debtors exclude taxation and deferred taxation recoverable. Provisions exclude deferred taxation.

NOTES ON GROUP RESULTS CONTINUED

	Half year to 30th September 2003		Half year to 30th September 2002		Year to 31st March 2003	
	Turnover	Operating profit /(loss) £m	Turnover	Operating profit	Turnover	Operating profit
	£m	£m	£m	£m	£m	£m
3 SHARE OF JOINT VENTURES AND ASSOCIATES						
Joint ventures						
Building products	25	6	26	9	49	18
Automotive products	5	1	4	1	9	1
	30	7	30	10	58	19
Europe	4	(2)	7	2	13	2
North America	2	1	2	–	4	–
Rest of the world	24	8	21	8	41	17
	30	7	30	10	58	19
Associates						
Building products	84	6	94	8	187	13
Automotive products	38	3	47	5	95	10
	122	9	141	13	282	23
North America	111	8	130	12	259	20
Rest of the world	11	1	11	1	23	3
	122	9	141	13	282	23
Total joint ventures and associates	152	16	171	23	340	42

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
4 RECONCILIATION TO NON-STATUTORY DISCLOSURES			
(a) Profit before goodwill amortisation, exceptional items and taxation			
Profit before taxation	71	72	140
Goodwill amortisation	4	5	9
Exceptional items	9	(1)	4
	84	76	153
(b) Earnings per share excluding exceptional items			
Profit for the period attributable to shareholders	39	35	68
Exceptional items after tax and minority interest	9	(1)	4
	48	34	72
	millions	millions	millions
Average number of shares for basic earnings per share calculation	1,255	1,245	1,248
Average number of shares for fully diluted earnings per share calculation	1,263	1,253	1,250
	pence	pence	pence
Adjusted earnings per share excluding exceptional items	3.8	2.7	5.8
Adjusted fully diluted earnings per share excluding exceptional items	3.8	2.7	5.8

5 EXCEPTIONAL ITEMS

The exceptional items in the half year to 30th September 2003 relate to the termination of the Automotive Glass Replacement operations in New Zealand and the Building Products toughening and laminating operations in Brazil. Additionally, the Pilkington Aerospace businesses in the UK, USA, Brazil and Thailand were sold and, after the write-off of goodwill previously written off to reserves of £4 million, no profit or loss arose.

The exceptional items in the year to 31st March 2003 were losses on the sale of fixed assets and investments of £2 million and losses on the sale and termination of operations amounting to £2 million.

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
6 NET INTEREST PAYABLE AND SIMILAR CHARGES			
Interest payable on loans, overdrafts and leases	26	27	49
Less interest receivable	(2)	(3)	(4)
Other interest and similar charges	3	4	8
Share of joint ventures' interest and similar charges	3	–	1
Share of associates' interest and similar charges	4	11	20
	34	39	74

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
7 TAXATION			
United Kingdom taxation	3	4	9
Overseas taxation	18	12	31
Deferred taxation	2	5	6
Share of joint ventures' taxation	2	4	6
Share of associates' taxation	1	–	(3)
	26	25	49

The tax rate on pre-exceptional profits is 33 per cent in the half year to 30th September 2003 (30th September 2002 – 35 per cent, 31st March 2003 – 35 per cent).

There is no tax charge or credit (30th September 2002 – nil, 31st March 2003 – nil) attributable to the exceptional items.

8 EARNINGS PER SHARE

The average number of shares for the purpose of calculating earnings per share was 1,255 million (30th September 2002 – 1,245 million, 31st March 2003 – 1,248 million). The average number of shares for the purpose of calculating fully diluted earnings per share was 1,263 million (30th September 2002 – 1,253 million, 31st March 2003 – 1,250 million). The profit attributable to shareholders amounted to £39 million (30th September 2002 £35 million, 31st March 2003 £68 million).

NOTES ON GROUP RESULTS CONTINUED

9 EXCHANGE RATES

The principal exchange rates used for the translation of foreign currencies were as follows:

	Half year to 30th September 2003		Half year to 30th September 2002		Year to 31st March 2003	
	Average	Closing	Average	Closing	Average	Closing
US dollar	1.61	1.66	1.51	1.57	1.55	1.58
Euro	1.43	1.43	1.58	1.59	1.56	1.45

10 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Half year to 30th September 2003 £m	Half year to 30th September 2002 £m	Year to 31st March 2003 £m
Operating profit	98	87	175
Depreciation	93	87	179
Amortisation of goodwill	4	5	9
Movements in working capital:			
– Stocks	1	20	32
– Debtors	(7)	(10)	7
– Creditors	–	(18)	(20)
Provisions	(6)	(14)	(14)
Other items	(2)	(2)	1
Net cash inflow from operating activities before exceptional items	181	155	369
Exceptional items – termination of operations	(5)	(1)	(2)
Net cash inflow from operating activities	176	154	367

11 NET DEBT

	30th September 2003 £m	30th September 2002 £m	31st March 2003 £m
Loans and overdrafts	871	713	907
Finance leases	27	40	29
Gross borrowings	898	753	936
Less cash and marketable investments	(123)	(64)	(75)
Net debt	775	689	861

12 DIVIDEND

The directors have declared an interim dividend of 1.75p per ordinary share (2002 – 1.75p) payable to shareholders who are on the register at the close of business on 5th December 2003. The dividend will be paid on 19th December 2003.

Shareholders with an existing scrip dividend mandate will automatically receive new shares in lieu of a cash dividend. Scrip dividend mandates are available from the company's Registrars (Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road, Bristol BS99 7NH; telephone 0870 702 0000) and on our website and should be completed and returned to the Registrars no later than 11th December 2003. Shareholders wishing to cancel an existing scrip mandate should also write to the Registrars before that date.

The offer of a scrip dividend alternative is subject to the terms of the Pilkington plc Scrip Dividend Scheme.

13 ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial statements comprise the unaudited results for the six months ended 30th September 2003 and extracts from the audited results for the year ended 31st March 2003. The unaudited Group results have been prepared under the historical cost convention and in accordance with applicable UK accounting standards using the accounting policies set out in the Directors' Report and Accounts for the year ended 31st March 2003.

14 UNAUDITED HALF YEAR RESULTS

The results for the half year to 30th September 2003 have not been audited but, at the company's request, have been reviewed by the auditors PricewaterhouseCoopers LLP. The financial information for the full year to 31st March 2003 is an abridged version of the Group's annual report and accounts for that year, which has been delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain a statement under either Section 237(2) or 237(3) of the Companies Act 1985 (as amended).

This statement was approved by the directors on 5th November 2003 and has been sent to all shareholders. A copy can be obtained by the public from the Company Secretary, Pilkington plc, Prescot Road, St Helens WA10 3TT.

INDEPENDENT REVIEW REPORT TO PILKINGTON plc

INTRODUCTION

We have been instructed by Pilkington plc to review the financial information which comprises the Group profit and loss account, the Group balance sheet, the Group cash flow statement, the statement of total recognised gains and losses and the related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

DIRECTORS' RESPONSIBILITIES

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

REVIEW WORK PERFORMED

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing. We have not performed any review procedures in relation to comparative figures included in the financial information.

REVIEW CONCLUSION

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30th September 2003.

PricewaterhouseCoopers LLP

Chartered Accountants
London
5th November 2003

Notes:

- (a) The maintenance and integrity of the Pilkington plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

SHAREHOLDER INFORMATION

DIVIDEND

An interim dividend for the year ending 31st March 2004 of 1.75 pence per share, with scrip alternative, will be payable to shareholders, who are on the register on 5th December 2003.

The scrip dividend share value will be calculated on the basis of the average of the middle market quotations of Pilkington shares on the London Stock Exchange for the five dealing days commencing on 3rd December 2003.

Shareholders with an existing scrip dividend mandate will automatically receive new shares in lieu of a cash dividend. Scrip dividend mandates are available from the company's Registrars and on our website and should be completed and returned to them no later than 11th December 2003. Shareholders wishing to cancel an existing scrip mandate should also write to the Registrars before that date. The offer of a scrip dividend is subject to the terms of the Pilkington plc Scrip Dividend Scheme.

PAYMENT OF DIVIDENDS DIRECTLY INTO BANK ACCOUNTS

If you currently receive dividends by cheque you may wish to consider having future dividends paid directly into your bank account. You will benefit from no postal delay, no risk of the cheque being lost and avoid the inconvenience of having to go to the bank or building society. In addition, this will help the company to minimise costs in the future which will benefit all shareholders. You will be sent confirmation of the payment with your tax voucher. Simply complete a mandate form available from the company's Registrars or the form may be downloaded from their website.

FINANCIAL CALENDAR

Announcement of results	5th November 2003
Ex-dividend date	3rd December 2003
Record date	5th December 2003
Latest return date for scrip dividend mandates or cancellation of existing mandates	11th December 2003
Dividend payment date and first date of dealing in scrip dividend shares	19th December 2003
Announcement of final results	26th May 2004
Annual General Meeting	20th July 2004
Final dividend payment date (to be confirmed)	August 2004

ELECTRONIC COMMUNICATIONS

It is now possible for the company to make certain communications (such as the annual report and accounts) available to its shareholders electronically.

If you would like to receive future communications from the company by e-mail then you will need to register online at www.computershare.com/investorcentre/uk and then select Pilkington plc. You will need to have available, when you first log in, your Shareholder Reference Number (located on your share certificate or the tax voucher accompanying your most recent dividend). Alternatively, you can go to www.pilkington.com, Corporate Information, Investor Relations. The use of electronic communications is entirely voluntary. If you wish to continue receiving communications from the company by post in the traditional manner then you need take no action.

SHAREHOLDER INFORMATION CONTINUED

CREATE A PORTFOLIO WITH INVESTOR CENTRE

Investor Centre is a free portfolio management system operated by the company's Registrars, which will enable you to view details of all your shareholdings that the Registrars administer. You are able to add other shareholdings to the portfolio. The portfolio shows the current market value of your shareholding (prices are normally only 20 minutes delayed).

In addition, you can view price histories and trading graphs for all companies listed on the London Stock Exchange, and keep up to date with market news.

If you wish to use this service, register free with Investor Centre at www.computershare.com/investorcentre/uk by clicking on 'Register now'. You will need to have available your Shareholder Reference Number (located on your share certificate or the tax voucher accompanying your most recent dividend). Please telephone 0870 873 5805 for Investor Centre enquiries.

REGISTER FOR E-MAIL ALERT SERVICE

If you wish to register for E-mail Alert Service go to www.pilkington.com and

- Select 'Corporate Information', then 'E-mail Alert Service'
- Enter your e-mail address
- Choose what you want to receive.

You can unsubscribe from this service at any time.

AMALGAMATING YOUR SHAREHOLDING

If you receive duplicate mailings, it may be because we have more than one shareholding in your name. To ensure that your shares are registered correctly and amalgamated into one account, please contact the Registrars.

SHAREGIFT

The Orr Mackintosh Foundation operates a charity share donation scheme for shareholders with small parcels of shares whose value makes it uneconomical to sell them. Details of the scheme are available from the Company Secretary or on the ShareGift internet site, www.sharegift.org.

SHARE DEALING SERVICE

The company's Registrars, Computershare Investor Services PLC, has in place a share dealing service for Pilkington shares. For further information please telephone 0870 703 0084 or log on to www.computershare.com/investorcentre/uk.

UNSOLICITED MAIL

The law obliges the company to make its register of members available to other organisations. Because of this, you may receive mail you have not asked for. If you wish to limit the amount of personally addressed unsolicited mail you receive, please write for information and an application form to the Mailing Preference Service, Freepost 22, London W1E 4EZ.

SHAREHOLDER CONTACTS

Contact	Address	Telephone	E-mail	Facsimile	Website
REGISTRARS					
Computershare Investor Services PLC	PO Box 82	Shareholder enquiries	web.queries@computershare.co.uk	0870 703 6106	www.computershare.com/investorcentre/uk
	The Pavilions Bridgwater Road Bristol	0870 702 0000			
	BS99 7NH	Share dealing 0870 703 0084			
		*Textphone 0870 702 0005			
PILKINGTON plc					
David Roycroft Head of Corporate Affairs and Investor Relations	Pilkington plc	01744 692837	david.roycroft@pilkington.com	01744 693738	www.pilkington.com
	Prescot Road St Helens WA10 3TT	or 020 7747 6000			
John McKenna Company Secretary		01744 692451	john.mckenna@pilkington.com	01744 730577	
Sheila Lennon Assistant Company Secretary		01744 692451	sheila.lennon@pilkington.com	01744 730577	
FINSBURY GROUP (Financial PR advisers)					
Charlotte Hepburne-Scott	52-58 Tabernacle St London EC2A 4NJ	020 7251 3801	charlotte.hepburne-scott@finsbury.com	020 7251 4112	www.finsbury.com

*The Registrars can be contacted by Textphone which allows speech and hearing impaired people who have access to a Textphone to contact Computershare direct without the need for an intermediate operator. Specially trained operators are available during normal business hours.



PILKINGTON

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Company Number 41495