



January 28, 2008

Financial Highlights for the Three Months (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries

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(The yen amounts shown therein are rounded down to the nearest million.)

1.Performance for the three months ended Dec. 31, 2007 and 2006

	Millions of Yen		
	Three months ended Dec. 31.		variance (%)
	2007	2006	
(1)Results of Operations			
Net sales	147,055	98,929	(48.6)
Operating income	27,525	27,216	(1.1)
Ordinary income	28,171	25,148	(12.0)
Net income	22,603	19,963	(13.2)
Net income per share(Yen)	52.22	46.32	5.90
Net income per share after adjustment of potential shares(Y€)	52.18	46.14	6.04

	Millions of Yen		
	As of Dec. 31.	As of Sep. 30.	As of Dec. 31.
	2007	2007	2006
(2)Financial Position			
Total assets	697,348	683,610	423,478
Net assets	418,780	401,907	343,290
Owner's equity ratio	58.8%	57.5%	80.6%
Net assets per share (Yen)	947.28	908.55	791.55

	Millions of Yen	
	Three months ended Dec. 31.	
	2007	2006
(3)Conditions of Cash Flow		
Net cash provided by operating activities	32,595	19,950
Net cash used in investing activities	-10,767	-3,797
Net cash provided by (used in) financing activities	-11,150	-13,566
Cash and cash equivalents at end of period	179,183	105,748



2. Conditions of Dividends (unit: Yen)

	Year ending/ended Mar.31,	
	2008	2007
Interim cash dividends per share (Yen)	30.00	30.00
Year-end cash dividends per share (Yen)	N/A	35.00
Annual cash dividends per share (Yen)	N/A	65.00

3. Projected Results for the Year ending March 31, 2008

	Millions of Yen		variance (%)
	Year ending/ended Mar.31,		
	2008	2007	
Net sales	489,700	390,093	(25.5)
Operating income	101,100	107,213	(-5.7)
Ordinary income	106,200	102,909	(3.2)
Net income	80,000	83,391	(-4.1)
Net income per share(Yen)	185.09	193.50	-8.41

Notes:

During the period under review, HOYA Corporation ("HOYA") conducted the tender offer for the common stock of PENTAX Corporation ("PENTAX") and PENTAX became a consolidated subsidiary of HOYA Corporation as of August 14, 2007.

Since PENTAX and its subsidiaries were consolidated to HOYA Corporation during the second quarter, balance sheets of PENTAX and its subsidiaries as of December 31, 2007 are combined into the consolidated financial statements of HOYA Group. Profit and loss of PENTAX and its subsidiaries are combined into the consolidated statement of income from October 1, 2007 and the statement of income includes PENTAX and its subsidiaries' profit and loss only for three months ended December 31, 2007.

Hoya Corporation does not guarantee the accuracy or completeness of the information herein. Unless otherwise stated estimates or forecasts are solely those of our company and subject to change without notice. Hoya Corporation accepts no liability whatsoever for any direct or consequential loss arising from any use of this report.

[Business Overview and Financial Statements]

1. Results of Operations

1) General Overview

Results of Operations	Millions of Yen	Variance(%)
	Three months ended Dec. 31, 2007	year-on-year
Net sales	147,055	(48.6)
Operating income	27,525	(1.1)
Ordinary income	28,171	(12.0)
Net income	22,603	(13.2)
Net income per share(Yen)	52.22	5.90

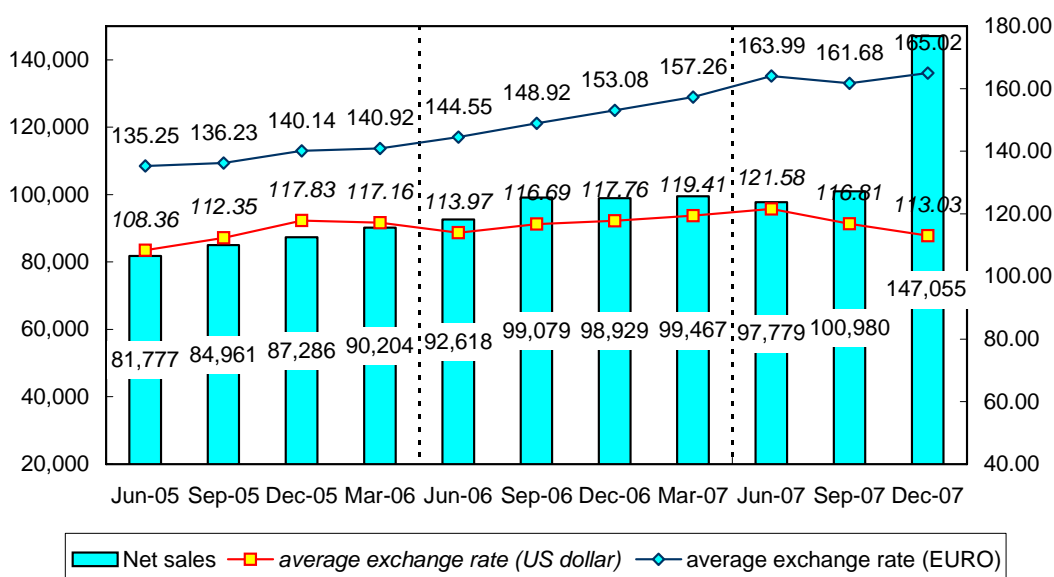
Economic conditions during the quarter under review (from October 1, 2007 to December 31, 2007) made negative impact not only in medium or small-sized companies but also major companies in Japan due to increase in the cost of materials, such as crude oil, and trouble about subprime loan in the United States. However, improvements in corporate performance particularly among major companies led to keep high level of capital investments and expansion of employment, and economy as a whole was brisk.

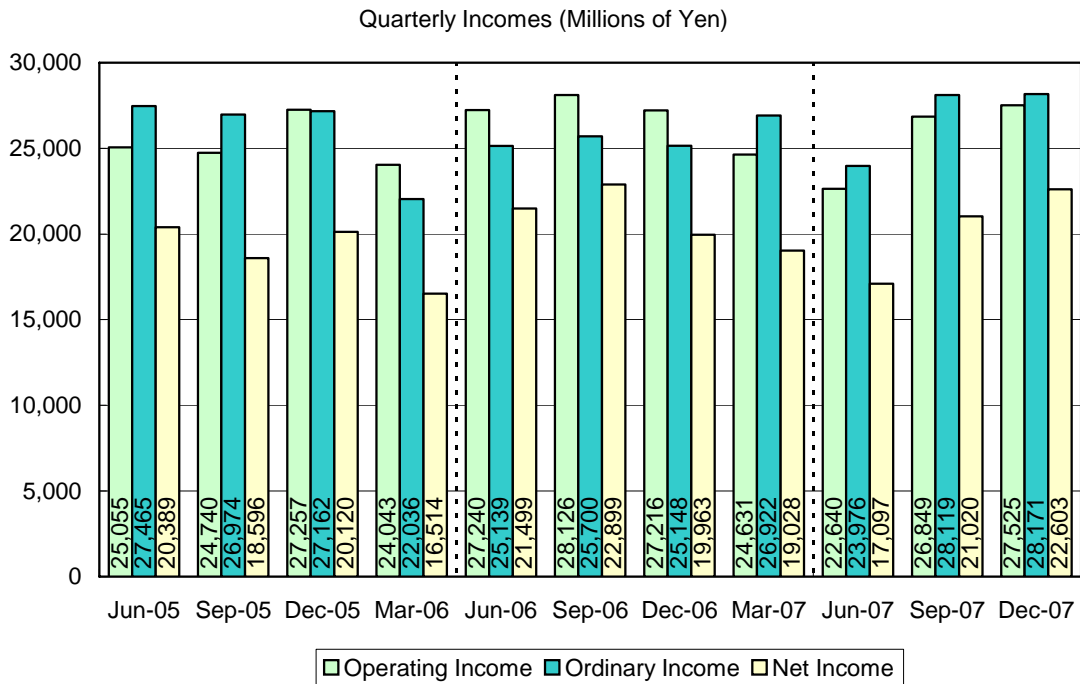
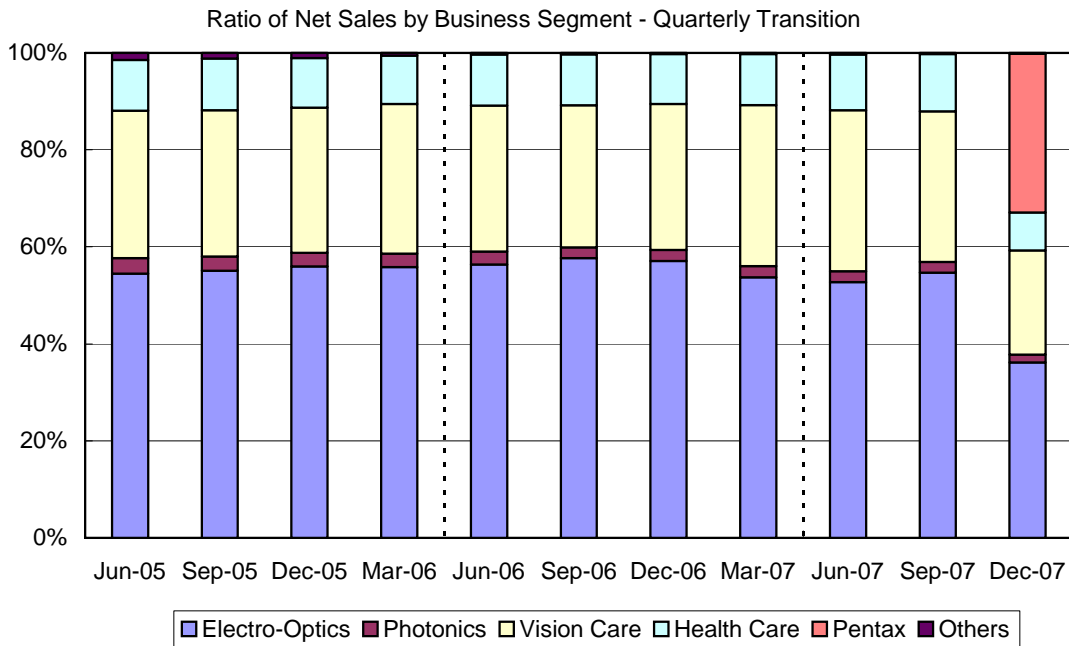
Meanwhile, for the HOYA Group, in the Electro-Optics sector, sales went down in some products because of price decline, and delay in commencement of production of new items. Though, in other products, the developments of new products by clients were vigorous, promoting robust demand, the whole of the sector showed a decline in revenues and profit. In Vision-Care division, the market overseas for eyeglass lenses showed an expansion, leading to increased revenues and profit. Healthcare division performed well, showing an increase in revenues and profit.

Moreover, the sales of newly consolidated Pentax Corporation and its subsidiaries have been combined from this quarter.

As a result, during the quarter under review consolidated net sales substantially increased year-on-year basis. However operating income only slightly increased year-on-year basis, because of decrease in profit through decline of revenues and profitability in the Electro-Optics sector. Goodwill on the acquisition of Pentax is amortized from this quarter under review. The growth of earnings of equity method affiliates and influence of exchange rate fluctuations led ordinary income to increase, and both of net sales and ordinary income posted historical records on quarterly basis.

Quarterly net sales (Million Yen) and average exchange rate
(Yen/US dollar & EURO)





2) Segment Overview

1.Information Technology

Electro-Optics

In terms of mask blanks for manufacturing semiconductors, HOYA received a decent volume of orders for such high-precision products as blanks for phase-shift masks, etc., and sales increased on a year-on-year basis.

There was a decrease in orders and prices for below the middle class photomasks for semiconductor production, particularly within the borders, leading to lower sales volume year-on-year. Demand for large-size masks for LCD hit wall, because LCD panel producers gave priority to commercial production at the upturn in demand of panels, and competition among mask producers for orders in the area of large-size masks for LCD was in a severe condition, sales of large-size masks decreased year-on-year.

In terms of glass disks for hard disk drives (HDDs), sales decreased on a year-on-year basis due to the internal delay in commencing of production with perpendicular recording method. The sales increased against the previous quarter.

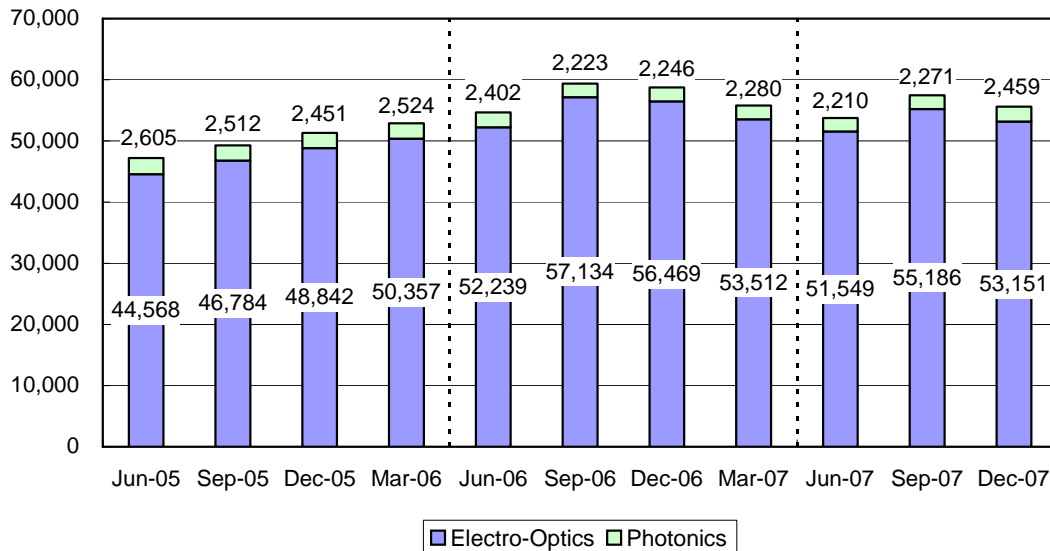
In optical lenses, in addition to the reemergence of a trend toward increase in lens shipments for digital cameras, the demand for lenses for mobile telephones equipped with cameras increased broadly, resulting in higher sales year-on-year.

Photonics

This segment covers laser-related equipment for industrial, dental and medical applications.

With laser-equipped industrial and medical equipment as major products, clients in the industrial area include producers of semiconductors, LCD panels, optical devices and so forth. The market has been fraught with intense competition as well as industry restructuring.

Quarterly Net Sales of Information Technology (Millions of Yen)



2. Eye Care

Vision Care

The slump in the domestic market for eyeglass lenses continued as before but HOYA realized growth in the high price bracket through the value-added enhancement of products centered in high-function coatings and newly-designed progressive lenses. In the low price bracket, however, overall sales in the domestic market were at essentially the level as in the previous year due to stiff price competition.

In eyeglass lenses in markets overseas, the expansion continued to advance in sales for newly designed progressive lenses, high refraction lenses and other high value added products in Asia-Oceania, Europe and North America and the markets remained firm. There was an overall increase in the sales volume year-on-year in spite of tough competition due to a price offensive in low-end lenses.

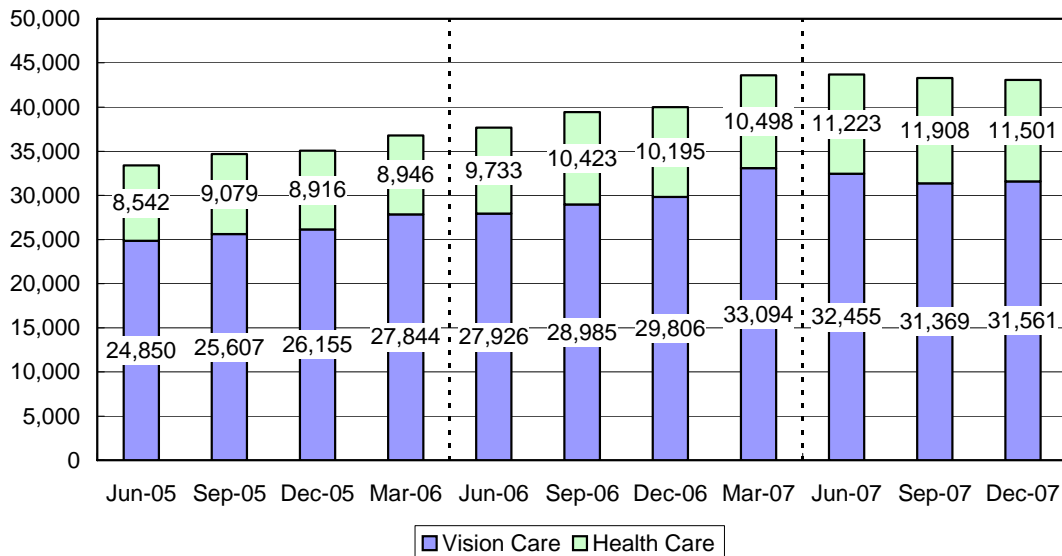
As a result, an increase was realized in the sector overall year-on-year.

Health Care

In contact lenses, it will continue to pursue differentiation from competitors through expanded sales in bifocal lenses and other high value added products through the consulting sales taking advantage of specialized knowledge.

In intraocular lenses, flexible (soft) intraocular lenses, especially yellow-lenses, have been demonstrating robust performance in the market, recording an increase in sales volume year-on-year.

Quarterly Net Sales of Eye Care (Millions of Yen)



3. Pentax

From this quarter, the sales of this segment was consolidated.

Life Care Business

In the medical endoscope field, not only U.S. market we started selling to the European market our new endoscope system "i" series well compatible with megapixel images, which has been highly evaluated. In the U.S. market, the new products began to make an effect gradually. As a result, the net sales of this business as a whole increased year-on-year basis.

Imaging System Business

In the single-lens reflex digital camera field, the sales decreased year-on year basis as they were influenced by the new products of the other manufacturers while the Company made effort to promote existing products. New types of high-power interchangeable lenses were introduced on the market, and the sales of such products increased significantly.

As a result, the net sales of this business as a whole decreased year-on-year basis.

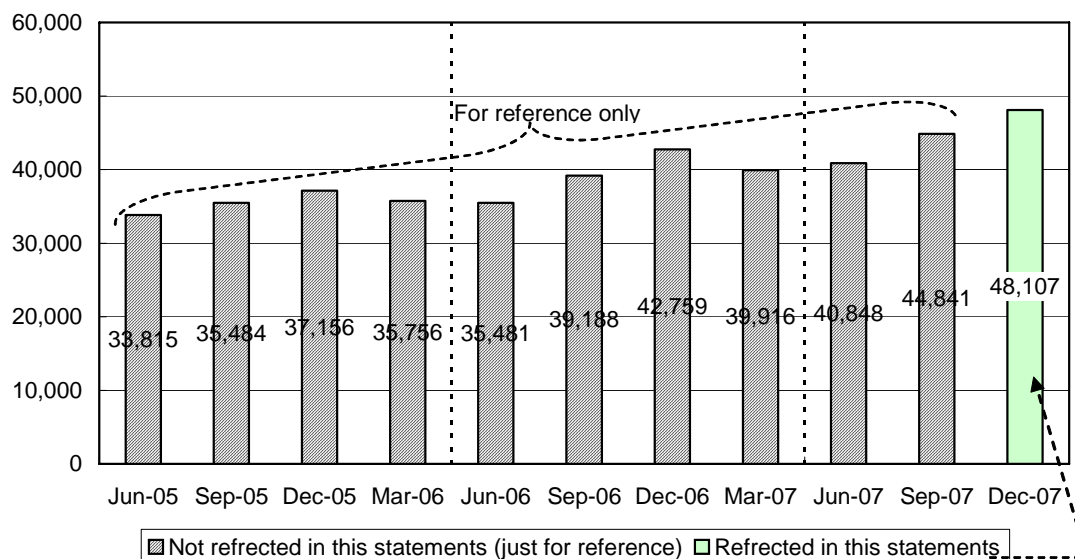
Optical Component Business

In the digital camera module field, the sales increased because the products of popular types are well accepted by new customers.

In the microlens field, falling market prices of DVD products forced us to reduce the unit selling prices. In the security field, we endeavored to expand the sales of lenses for surveillance cameras, though the other companies started to enter the market and led to fall in the Company's market shares.

As a result, the net sales of this business as a whole increased year-on-year basis.

<Ref:> Quarterly Net Sales of Pentax (Millions of Yen)



4. Other Businesses

	<u>Millions of Yen</u>
	<u>Three months ended Dec. 31, 2007</u>
Quarterly net sales	276
Crystal glassware and internal services (design of information system, etc.)	

2. Financial Position

1) Assets, Liabilities and Net Assets	<u>Millions of Yen</u>
	<u>As of Dec. 31, 2007</u>
Total assets	697,348
Net assets	418,780
Owner's equity ratio	58.8%

Compared to the end of the previous quarter, the current assets increased Yen 15,552 million mainly since cash and deposit increased Yen 13,110 million. Fixed assets decreased Yen 1,813 million to Yen 277,440 million mainly due to decrease of goodwill. As a result, total assets increased Yen 13,738 million compared to the end of the previous quarter. Liabilities decreased Yen 3,134 million. Net assets increased Yen 16,873 million and came to Yen 418,780 million through earned surplus increased Yen 9,574 million.

2) Conditions of Cash Flows	<u>Millions of Yen</u>
	<u>Three months ended Dec. 31, 2007</u>
Net cash provided by operating activities	32,595
Net cash used in investing activities	-10,767
Net cash provided by (used in) financing activities	-11,150
Cash and cash equivalents at end of period	179,183

In terms of cash flows from operating activities, on the basis of cash increase of Yen 26,402 million in income before income taxes and Yen 14,497 million in depreciation and cash decrease of Yen 7,522 million as payment of income taxes, net cash provided by operating activities increased by Yen 12,645 million compared to the same period last year and came to Yen 32,595 million. Net cash used in investment activities increased by Yen 6,970 million to Yen 10,767 million, mainly used for Yen 10,098 million of investment in order to handle next-generation products. Free cash flow came to Yen 21,828 million and used in a payment of Yen 12,992 million for dividends. As a result, the term-end balance of cash and cash equivalents amounted to Yen 179,183 million, increased by Yen 13,075 million in comparison with that of the end of the previous quarter.

3. Projected Results for the Year ending March 31, 2008

	<u>Millions of Yen</u>		variance (%)
	<u>Years ending/ended</u>		
	Mar.31,2008	Mar.31,2007	
Net sales	489,700	390,093 (	25.5)
Operating income	101,100	107,213 (	-5.7)
Ordinary income	106,200	102,909 (	3.2)
Net income	80,000	83,391 (	-4.1)
Net income per share (Yen)	185.09	193.50	-8.41 Yen

The Company discloses full scale financial information quarterly bases as precise as year-end financial statements so that investors such as securities analysts can make an appropriate forecast for the Company. For their references, the Company discloses full year projections at the announcement of the third quarter (from October 1 to December 31) results in the following January. In other words, the above projected numbers are the first forecasts made and disclosed by the Company as to the full year results.

The economy during the term under review seems slowing down impacted by rising cost of materials such as crude oil, the subprime loan crisis in the US and so on.

Amid such circumstances, for the HOYA Group, in the Electro-Optics (EO) sector, sales in some products are expected to decrease compared to last year because of severe price competition and delay in shipment of new items, while in other products sales are expected to grow in center of high-end products. As a whole, sales and profits in this sector are projected to decline year on year. In Vision-Care, an expansion of the overseas market for eyeglass lenses has been witnessed, and in Healthcare we expect a continuing sales growth, sales and profits in both divisions are expected to increase compared to last year.

Moreover, the sales of newly consolidated Pentax Corporation and its subsidiaries for the six months from October 1, 2007 to March 31, 2008 will be combined.

As HOYA group, the Company expects increase in net sales while foresees decrease in operating income because of the expected decline in sales and profits of EO sector. As for ordinary income, earnings of affiliates show improvement in profitability, although unpredictable exchange rate might affect the results. Projected decrease in net income attributes the extraordinary income from sales of land in the previous fiscal year.

HOYA group strives to strengthen development and sales of high precision products that meet customer needs by paying due attention to the afore-mentioned global economy and currency situation, in order to position ourselves to continue steady growth in the future.

Ref : Projected Results for the 4th Quarter

1. Year-on-year comparison	<u>Millions of Yen</u>		variance (%)
	<u>Three months ending/ended</u>		
	Mar.31,2008	Mar.31,2007	
Net sales	143,886	99,467 (	44.7)
Operating income	24,086	24,631 (	-2.2)
Ordinary income	25,934	26,922 (	-3.7)
Net income	19,280	19,028 (	1.3)
Net income per share (Yen)	44.61	44.11	0.50 Yen

2. Quarter-on-quarter compariso	<u>Millions of Yen</u>		variance (%)
	<u>Three months ending/ended</u>		
	Mar.31,2008	Dec.31,2007	
Net sales	143,886	147,055 (	-2.2)
Operating income	24,086	27,525 (	-12.5)
Ordinary income	25,934	28,171 (	-7.9)
Net income	19,280	22,603 (	-14.7)
Net income per share (Yen)	44.61	52.22	-7.61 Yen

These forward looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in our major markets, or fluctuation of currency exchange rates.

4. Preparation of the Consolidated Financial Statements

Scope of Consolidation and Application of the Equity Method

1. Number of consolidated subsidiaries : 104 companies
Major companies: <overseas> HOYA HOLDINGS, INC., HOYA HOLDINGS N.V., HOYA HOLDINGS ASIA PACIFIC PTE. LTD., HOYA PHOTONICS, INC.
<domestic> PENTAX CORPORATION, HOYA CANDEO OPTRONICS CORPORATION, HOYA HEALTHCARE CORPORATION
2. Number of unconsolidated subsidiaries : None
3. Number of affiliates : 12 companies
(Number of affiliates accounted for by the equity method : 9 companies,
Major companies: NH TECHNO GLASS CORPORATION)
4. Changes in scope of consolidation and application of the equity method:
 - A. Scope of consolidation
 - a) In comparison to the end of the same period last year (Dec. 31, 2006) : 41 companies increased in total.
7 companies increased due to the establishment: HOYA LENS VIETNAM LTD. (Vietnam)
HOYA HOLDINGS (ASIA) B.V. (The Netherlands)
HOEV CO.,LTD. (Vietnam)
HOYA LENS NORWAY S.A. (Norway)
and other 3 companies (overseas)

35 companies increased due to the acquisition: PENTAX CORPORATION (Japan)
and its consolidated subsidiaries (Japan 7, overseas 26)
MORGAN OPTICAL, INC. (USA)

1 company decreased due to the closing: PENTAX TECHNOLOGY TAIWAN CO.,LTD. (Taiwan)
 - b) In comparison to the end of previous quarter (Sep. 30, 2007) : 1 company increased in total.
2 companies increased due to the establishment: HOEV CO.,LTD. (Vietnam)
HOYA LENS NORWAY S.A. (Norway)

1 company decreased due to the closing: PENTAX TECHNOLOGY TAIWAN CO.,LTD. (Taiwan)
 - B. Application of the equity method
 - a) In comparison to the end of the same period last year (Dec. 31, 2006) : 8 companies increased in total.
3 companies increased : Overseas 3 subsidiaries of NH TECHNOGLASS CORPORATION
(Note) NH TECHNO had been counted in the financial report as one (1) domestic company until 1Q this year. However, its 3 overseas subsidiaries are newly accounted for by equity method from this 2Q.

5 companies increased due to the acquisition: PENTAX group companies (Japan 2, overseas 3)
 - b) In comparison to the end the previous quarter (Sep. 30, 2007) :
No change

Since PENTAX and its subsidiaries were consolidated to HOYA Corporation during the 2nd quarter, assets and liabilities of PENTAX and its subsidiaries are combined into the Consolidated Balance Sheets of HOYA Group from the 2nd quarter already. The Consolidated Statement of Income are combined from the 3rd quarter (three months from October 1, 2007). This report presented herein include Income Statements of PENTAX, but only for the third quarter.

	as of Dec. 31,2007	as of Dec. 31,2006	variance	as of Sep. 30,2007
Consolidated subsidiaries	104 (jp 13, os91)	63 (jp 5, os58)	+41 (jp+8, os+33)	103 (jp 13, os90)
Affiliates	12 (jp 6, os 6)	4 (jp 4, os -)	+8 (jp+2, os+6)	12 (jp 6, os 6)
(accounted for by the equity method)	(9) (jp 3, os 6)	(1) (jp 1, os -)	(+8) (jp+2, os+6)	(9) (jp 3, os 6)
Total Hoya Group	116	67	+49	115
(accounted for by the equity method)	(9)	(1)	(+8)	(9)

(jp : Japan domestic, os : overseas)

- 2) Changes in accounting policy :
From this fiscal year, the company changed its classification of industry segment.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

HOYA CORPORATION and Consolidated Subsidiaries	Millions of Yen			
	As of			
	Dec.31,2007	Sep.30, 2007	Variance	Dec.31,2006
ASSETS				
Current assets				
Cash and deposits	180,753	167,643	13,110	105,748
Notes and accounts receivable - trade	130,316	132,129	-1,813	93,673
Inventories	90,514	84,594	5,920	47,861
Deferred tax assets	9,556	10,325	-769	4,781
Other current assets	11,061	11,900	-839	6,151
Allowance for doubtful receivables	-2,294	-2,238	-56	-1,213
Total current assets	419,908	404,356	15,552	257,003
Fixed assets				
Tangible fixed assets				
Buildings and structures	41,842	42,006	-164	31,716
Machinery and carriers	73,782	75,676	-1,894	74,759
Tools, equipment and fixtures	19,532	20,599	-1,067	12,451
Lands	16,906	16,839	67	9,066
Construction in progress	20,390	17,295	3,095	10,916
Total tangible fixed assets	172,454	172,417	37	138,908
Intangible fixed assets				
Goodwill	53,399	55,686	-2,287	—
Other intangible fixed assets	19,361	19,941	-580	5,952
Total intangible fixed assets	72,761	75,628	-2,867	5,952
Investments and other assets				
Investment securities	21,944	20,045	1,899	14,085
Deferred tax assets	2,524	4,227	-1,703	2,896
Other assets	8,098	7,251	847	4,947
Allowance for doubtful receivables	-342	-316	-26	-316
Total investment and other assets	32,225	31,207	1,018	21,613
Total fixed assets	277,440	279,253	-1,813	166,474
TOTAL ASSETS	697,348	683,610	13,738	423,478

HOYA CORPORATION 3rd quarter (Three months ended December, 31, 2007)

HOYA CORPORATION and Consolidated Subsidiaries	Millions of Yen			
	As of			
LIABILITIES AND NET ASSETS	Dec.31,2007	Sep.30, 2007	Variance	Dec.31,2006
LIABILITIES				
Current liabilities				
Notes and accounts payable - trade	61,720	58,028	3,692	28,612
Short-term bank loans	13,646	16,812	-3,166	—
Long-term bank loans matured within a year	3,634	3,634	—	—
Commercial paper	4,997	—	4,997	5,997
Income tax payable	6,268	11,318	-5,050	8,623
Accrued expenses	24,837	24,145	692	—
Accrued bonuses to employees	4,043	6,116	-2,073	2,248
Other current liabilities	22,245	22,184	61	32,756
Total current liabilities	141,392	142,239	-847	78,238
Long-term liabilities				
Corporate bonds	99,965	99,963	2	—
Long-term bank loans	20,096	20,123	-27	—
Deferred tax liabilities	2,656	5,029	-2,373	—
Accrued retirement benefits	10,874	10,810	64	—
Directors' retirement allowances	323	270	53	—
Allowance for special repairs	1,199	1,195	4	778
Other long-term liabilities	2,059	2,070	-11	1,170
Total long-term liabilities	137,175	139,462	-2,287	1,949
Total Liabilities	278,568	281,702	-3,134	80,187
NET ASSETS				
Shareholders' equity				
Paid-in capital	6,264	6,264	—	6,264
Capital surplus	15,898	15,898	—	15,898
Earned surplus	352,897	343,323	9,574	304,051
Treasury stock	-8,028	-8,170	142	-13,998
Advances on subscription to treasury stock	—	—	—	45
Total shareholders' equity	367,031	357,316	9,715	312,261
Valuation and translation adjustments				
Valuation difference on available-for-sale securities	-230	-157	-73	-36
Translation adjustments	43,227	36,069	7,158	29,162
Total valuation and translation adjustments	42,996	35,911	7,085	29,126
New share subscription rights	553	476	77	66
Minority interest	8,198	8,203	-5	1,836
Total Net Assets	418,780	401,907	16,873	343,290
TOTAL LIABILITIES AND NET ASSETS	697,348	683,610	13,738	423,478
Notes:				
	Millions of Yen			
1. Accumulated depreciation	247,209	236,159		213,543
2. Pledged assets	—	2,971		—
Secured liabilities	—	288		—
3. Guarantees of borrowings and lease obligations for customers and Group's employees	2,240	2,478		2,739
4. Value of discount on notes receivable	1,927	1,601		—
5. Number of shares of treasury stock (unit : shares)	2,170,207	2,208,619		3,784,297

(2) Consolidated Statements of Income

HOYA CORPORATION and Consolidated Subsidiaries

	Millions of Yen			
	Three months ended Dec. 31,		Variance(%)	Three months ended Sep.30, 2007
	2007	2006		
Net sales	147,055	98,929	48.6	100,980
Cost of sales	80,585	50,716	58.9	52,384
Gross profit	66,469	48,214	37.9	48,597
Selling, general and administrative expenses	38,944	20,997	85.5	21,747
Operating income	27,525	27,216	1.1	26,849
Non-operating income	4,028	2,472	62.9	3,197
Interest income	1,014	567		1,293
Equity in earnings of affiliates	2,183	894		1,395
Others	830	1,011		510
Non-operating expenses	3,381	4,540	-25.5	1,928
Interest expense	650	6		155
Sales discount	220	207		226
Foreign exchange losses	1,895	3,085		682
Others	616	1,242		864
Ordinary income	28,171	25,148	12.0	28,119
Extra-ordinary gains	45	340	-86.8	420
Gain on sales of property, plant and equipment	12	17		419
Others	33	322		1
Extra-ordinary losses	1,813	381	375.9	2,279
Maintenance of environment	1,308	10		251
Additional retirement benefits paid to employees	257	119		1,522
Loss on disposal of property, plant and equipment	182	178		209
Loss on impairment of long-lived assets	49	4		263
Others	17	69		34
Income before income taxes and other items	26,402	25,106	5.2	26,260
Income taxes - Current	3,235	2,181	48.3	6,053
Income taxes - Deferred	99	2,905	-96.6	-775
Minority interests in net income	464	56	728.6	-37
Net income	22,603	19,963	13.2	21,020
Net income per share(Yen)	52.22	46.32	5.90	48.64
Net income per share after adjustment of potential shares(Yen)	52.18	46.14	6.04	48.55

Notes:

1. Effect of Exchange Rate Change on Net Sales and Incomes ("2007 A" is the actual value of this period. "2007 B" is the nominal value of this period which temporarily exchanged by the currency rate of the same period last year. unit : millions of Yen)

	2007 A	2007 B	influences
Net sales	147,055	146,410	645
Operating income	27,525	26,555	970
Ordinary income	28,171	27,080	1,091
Net income	22,603	21,587	1,016

2. Average rates of major foreign currencies
- | | | Three months ended Dec. 31, | | Three months ended |
|-----------|-----|-----------------------------|--------|--------------------------|
| | | 2007 | 2006 | Variance(%) Sep.30, 2007 |
| US\$ | Yen | 113.03 | 117.76 | 4.0% |
| Euro | Yen | 165.02 | 153.08 | -7.8% |
| Thai Baht | Yen | 3.69 | 3.27 | -12.8% |

(3) Consolidated Statements of Changes in Net Assets

HOYA CORPORATION and Consolidated Subsidiaries

	Millions of Yen					
	Shareholders' Equity					
	Paid-in Capital	Capital Surplus	Earned Surplus	Treasury Stock	Advances on subscription to treasury stock	Total Shareholders' Equity
BALANCE SEPTEMBER 30, 2007	6,264	15,898	343,323	-8,170	-	357,316
Net income			22,603			22,603
Appropriations						
Cash dividends			-12,984			-12,984
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks				-3		-3
Disposal of treasury stocks			-45	145		100
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						
Net increase / decrease during the term under review except in Shareholders' Equity			9,573	141	-	9,715
Total increase / decrease during the term under review	-	-	9,573	141	-	9,715
BALANCE DECEMBER 31, 2007	6,264	15,898	352,897	-8,028	-	367,031

	Millions of Yen					
	Valuation and Translation Adjustments					
	Valuation difference on available-for- sale securities	Translation Adjustments	Total Valuation and Translation Adjustments	New Share Subscription Rights	Minority Interest	Total Net Assets
BALANCE SEPTEMBER 30, 2007	-157	36,069	35,911	476	8,203	401,907
Net income						22,603
Appropriations						
Cash dividends						-12,984
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks						-3
Disposal of treasury stocks						100
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						
Net increase / decrease during the term under review except in Shareholders' Equity	-73	7,158	7,085	76	-4	7,156
Total increase / decrease during the term under review	-73	7,158	7,085	76	-4	16,872
BALANCE DECEMBER 31, 2007	-230	43,227	42,996	553	8,198	418,780

Notes:

1. Condition of issued stocks	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		435,017,020	—	—	435,017,020	
2. Condition of treasury stock	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		2,208,619	960	39,372	2,170,207	

The breakdown of increase/decrease of treasury stock (by reason) is as follows :

Increase due to repurchase of treasury stock less than one unit	960 shares
Decrease due to sale of treasury stock less than one unit	172 shares
Decrease due to exercise of stock option	39,200 shares

HOYA CORPORATION 3rd quarter (Three months ended December, 31, 2007)

<Same period last year>

HOYA CORPORATION and Consolidated Subsidiaries

	Millions of Yen					
	Shareholders' Equity					
	Paid-in Capital	Capital Surplus	Earned Surplus	Treasury Stock	Advances on subscription to treasury stock	Total Shareholders' Equity
BALANCE SEPTEMBER 30, 2006	6,264	15,898	297,696	-15,521	16	304,353
Net income			19,963			19,963
Appropriations						
Cash dividends			-12,923			-12,923
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks				-3		-3
Disposal of treasury stocks			-686	1,527		840
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others					29	30
Net increase / decrease during the term under review except in Shareholders' Equity			6,354	1,523	29	7,907
Total increase / decrease during the term under review	-	-	6,354	1,523	29	7,907
BALANCE DECEMBER 31, 2006	6,264	15,898	304,051	-13,998	45	312,261

	Millions of Yen					
	Valuation and Translation Adjustments			New Share Subscription Rights	Minority Interest	Total Net Assets
	Valuation difference on available-for-sale securities	Translation Adjustments	Total Valuation and Translation Adjustments			
BALANCE SEPTEMBER 30, 2006	-7	16,658	16,651	-	1,685	322,690
Net income						19,963
Appropriations						
Cash dividends						-12,923
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks						-3
Disposal of treasury stocks						840
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						30
Net increase / decrease during the term under review except in Shareholders' Equity	-29	12,504	12,474	66	150	12,692
Total increase / decrease during the term under review	-29	12,504	12,474	66	150	20,600
BALANCE DECEMBER 31, 2006	-36	29,162	29,126	66	1,836	343,290

Notes:

1. Condition of issued stocks	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		435,017,020	-	-	435,017,020	
2. Condition of treasury stock	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		4,196,357	816	412,876	3,784,297	

The breakdown of increase/decrease of treasury stock (by reason) is as follows :

Increase due to repurchase of treasury stock less than one unit	816 shares
Decrease due to sale of treasury stock less than one unit	76 shares
Decrease due to exercise of stock option	412,800 shares

<Second quarter : three months ended Sep. 30, 2007>

HOYA CORPORATION and Consolidated Subsidiaries

	Millions of Yen					
	Shareholders' Equity					
	Paid-in Capital	Capital Surplus	Earned Surplus	Treasury Stock	Advances on subscription to treasury stock	Total Shareholders' Equity
BALANCE JUNE 30, 2007	6,264	15,898	324,177	-12,064	5	334,281
Net income			21,020			21,020
Appropriations						
Cash dividends						
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks				-5		-5
Disposal of treasury stocks			-1,874	3,899	-5	2,019
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						
Net increase / decrease during the term under review except in Shareholders' Equity			19,146	3,893	-5	23,034
Total increase / decrease during the term under review	-	-	19,146	3,893	-5	23,034
BALANCE SEPTEMBER 30, 2007	6,264	15,898	343,323	-8,170	-	357,316

	Millions of Yen					
	Valuation and Translation Adjustments					
	Valuation difference on available-for- sale securities	Translation Adjustments	Total Valuation and Translation Adjustments	New Share Subscription Rights	Minority Interest	Total Net Assets
BALANCE JUNE 30, 2007	63	51,342	51,405	346	1,916	387,950
Net income						21,020
Appropriations						
Cash dividends						
Bonus to directors						
Loss on disposal of treasury stock						
Repurchase of treasury stocks						-5
Disposal of treasury stocks						2,019
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						
Net increase / decrease during the term under review except in Shareholders' Equity	-221	-15,272	-15,494	130	6,286	-9,077
Total increase / decrease during the term under review	-221	-15,272	-15,494	130	6,286	13,957
BALANCE SEPTEMBER 30, 2007	-157	36,069	35,911	476	9,203	401,907

Notes:

1. Condition of issued stocks	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		435,017,020	-	-	435,017,020	
2. Condition of treasury stock	Common stock	beginning of the period	increase during the period	decrease during the period	end of the period	unit : shares
		3,261,279	1,373	1,054,033	2,208,619	

The breakdown of increase/decrease of treasury stock (by reason) is as follows :

Increase due to repurchase of treasury stock less than one unit	1,373	shares
Decrease due to sale of treasury stock less than one unit	33	shares
Decrease due to exercise of stock option	1,054,000	shares

(4) Consolidated Statements of Cash Flows

HOYA CORPORATION and Consolidated Subsidiaries

	<u>Millions of Yen</u>		
	<u>Three months ended Dec.31.</u>		
	2007	2006	variance
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	26,402	25,106	1,296
Depreciation and amortization	14,497	9,528	4,969
Loss on impairment of long-lived assets	49	4	45
Provision for (reversal of) accrued allowances for doubtful receivables	76	-4	80
Provision for (reversal of) accrued bonuses to employees	-2,058	-1,900	-158
Provision for (Reversal of) reserve for periodic repairs	4	114	-110
Interest income and dividend receivable	-1,021	-579	-442
Interest expense payable	649	6	643
Foreign exchange loss (gain)	873	553	320
Equity in earnings of affiliates	-2,182	-894	-1,288
Gain on sales of property, plant and equipment and investment securities	-12	-17	5
Loss on disposal of property, plant and equipment and investment securities	182	178	4
Other	3,260	908	2,352
(Increase) decrease in notes and accounts receivable	1,974	-1,590	3,564
(Increase) decrease in inventories	-4,366	-571	-3,795
(Increase) decrease in other current assets	480	-542	1,022
Increase (decrease) in notes and accounts payable	2,612	-2,207	4,819
Increase (decrease) in income taxes payable	-220	-279	59
Increase (decrease) in other current liabilities	-1,949	480	-2,429
Sub total	39,251	28,291	10,960
Interest and dividend receivable	1,002	437	565
Interest payable	-136	-4	-132
Income taxes - paid	-7,522	-8,774	1,252
Net cash provided by operating activities	32,595	19,950	12,645
INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	-10,098	-12,899	2,801
Proceeds from sales of property, plant and equipment	118	9,626	-9,508
Proceeds from sales of investment securities	26	—	26
Expenditure for loans	-40	-73	33
Income from collection of loans	44	5	39
Expenditure for other investments	-944	-505	-439
Income from other investments	125	48	77
Net cash used in investing activities	-10,767	-3,797	-6,970
FINANCING ACTIVITIES:			
Net increase (decrease) in short-term bank loans	1,796	-1,499	3,295
Repayments of long-term debt	-33	—	-33
Increase in treasury stock	-21	-3	-18
Decrease in treasury stock	100	869	-769
Dividends paid	-12,992	-12,932	-60
Net cash provided by (used in) financing activities	-11,150	-13,566	2,416
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2,398	4,476	-2,078
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	13,075	7,062	6,013
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	166,108	98,685	67,423
CASH AND CASH EQUIVALENTS, END OF PERIOD	179,183	105,748	73,435
Notes: 1. Negative figures with "-" (minus) in the above statements indicate net outflow			
2. The above statements are direct translation from <i>Kessan Tanshin</i> made under the Japanese Accounting			
3. Cash and Cash Equivalents at the End of the Period			
	<u>2007</u>	<u>2006</u>	
Cash and deposits	180,753	105,748	
Time deposit over three months	-1,569	—	
Total	<u>179,183</u>	<u>105,748</u>	

(5) Notes for Quarterly Consolidated Financial Statements**Notes Relating to Investment Securities and Derivatives**

1. Investment securities with market values:

(Millions of Yen)

	As of								
	Dec.31, 2007			Sep.30, 2007			Dec.31, 2006		
Available-for-sale	Cost	Fair Value	Variance	Cost	Fair Value	Variance	Cost	Fair Value	Variance
Available-for-sale :									
Marketable Equity securities	4,567	4,158	-408	4,567	4,265	-302	1,692	1,629	-63
Government bonds	—	—	—	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—	—	—	—
Others	38	35	-2	—	—	—	—	—	—
Total	4,605	4,194	-411	4,567	4,265	-302	1,692	1,629	-63

2. Investment securities without market values:

(Millions of Yen)

	As of		
	Dec.31, 2007	Sep.30, 2007	Dec.31, 2006
Non-marketable stock of subsidiaries	16,350	14,304	11,287
Total	16,350	14,304	11,287
Non-marketable equity securities	1,147	1,143	902
Others	251	332	265
Total	1,398	1,475	1,168

3. Derivatives and Hedging Activities

(1) Conditions of transactions

The HOYA Group uses derivative financial instruments to manage its exposures to fluctuations in foreign currency exchange rates. Foreign exchange forward contracts are utilized by the Group to reduce foreign currency exchange risks. The Group does not enter into derivatives for trade or speculative purposes.

Hedge accounting methods

Deferral hedging is applied. Appropriation is adopted for hedging exchange risks when the criteria for appropriation are met.

Hedging methods and hedged items

Exchange risks are hedged based mainly on the company's "Internal Management Regulations", and the company has adopted a policy of not conducting any speculative derivative trading.

Hedging method: forward exchange contracts

Items hedged: Foreign currency denominated debt

(2) Fair Value of Transactions

Currency-related transactions

(Millions of Yen)

Items	Contract Value	Contract over One Year	Market Value	Unrealized gain (loss)
Forward foreign exchange contracts :				
Sell USD	11,670	—	11,720	64
EURO	16,591	—	16,887	-296
Buy USD	1,440	—	1,435	-4
EURO	4,411	—	4,497	85

Notes : 1. Market Value : Translated by forward exchange rates.

2. Transactions which are translated at the contracted forward rates are excluded.

Interest Rate Swap

(Millions of Yen)

Items	Contract Value	Contract over One Year	Market Value	Unrealized gain (loss)
Interest rate swap :				
Receive floating pay fixed	11,895	11,895	-100	-40

Notes : 1. The principal amount regarding the interest rate swap is notional. The figures do not indicate market risks relating to the derivative transactions.

2. Calculation of market value is based on the prices provided by the financial institutions the Company entered into the interest rate swap contracts with.

Notes Relating to Income Taxes

1. Breakdown of major factors giving rise to deferred tax assets and liabilities:

	Millions of Yen		
	As of		
	<u>Dec.31, 2007</u>	<u>Sep.30, 2007</u>	<u>Dec.31, 2006</u>
(1) Current deferred tax assets and liabilities			
Deferred tax assets			
Inventories - loss on write-down	2,748	2,831	—
Inventories - intercompany unrealized profits	2,078	2,710	2,441
Accrued bonuses to employees	1,630	2,408	851
Accrued enterprise taxes	698	654	435
Maintenance of environment	630	101	3
Other	1,934	2,008	1,048
Sub total amount of deferred tax assets - current	<u>9,720</u>	<u>10,715</u>	<u>4,781</u>
Valuation reserve	-149	-253	—
Total amount of deferred tax assets - current	<u>9,571</u>	<u>10,461</u>	<u>4,781</u>
Deferred tax liabilities	-50	-137	—
(2) Non-current deferred tax assets and liabilities			
Deferred tax assets			
Allowance for retirement benefits not deductible	3,525	3,489	—
Loss carryforwards	3,484	3,700	—
Excess amount of inclusion in deductible expenses for depreciation	1,486	1,647	1,614
Valuation reserve for investment securities not deductible	1,217	1,217	—
Loss on impairment not deductible	536	580	621
Loss on disposal of fixed assets not deductible	518	518	518
Valuation losses	382	382	—
Excess amount of inclusion in deductible expenses for allowance for doubtful receivables	112	107	111
Other	2,547	2,857	732
Sub total amount of deferred tax assets - fixed	<u>13,811</u>	<u>14,500</u>	<u>3,598</u>
Valuation reserve	-4,704	-5,479	—
Total amount of deferred tax assets - fixed	<u>9,106</u>	<u>9,021</u>	<u>3,598</u>
Deferred tax liabilities			
Valuation losses	-7,632	-8,083	—
Net unrealized gain on available-for-sale securities	-589	-687	—
Reserve for deferred income taxes on fixed assets	-345	-351	-315
Special depreciation reserve	-218	-216	-220
Other	-453	-484	-165
Total amount of deferred tax liabilities - fixed	<u>-9,238</u>	<u>-9,824</u>	<u>-702</u>
Net amount of deferred tax assets - fixed	<u>-132</u>	<u>-802</u>	<u>2,896</u>

2. The effective income tax rates of the companies differed from the statutory tax rate for the following reasons:

	Three months ended		
	<u>Dec.31,2007</u>	<u>Dec.31,2006</u>	<u>Sep.30,2007</u>
Statutory tax rate of the Company	40.4 %	40.4 %	40.4 %
(Adjustment)			
Lower income tax rates applicable to income in certain foreign countries	-23.3	-18.1	-17.4
Non-Deductible expenses such as entertainment expenses	0.3	0.4	0.5
Per capita levy of inhabitants tax and others	0.2	0.1	0.0
Non-taxable dividend income	-0.2	—	—
Intercompany cash dividend	2.7	—	2.0
Equity in earnings (losses) of affiliates	-3.3	-0.4	-2.1
Tax credit on experiment and research expenses	-0.2	-1.4	-0.2
Foreign tax deduction	-1.6	—	-4.8
Other adjustment	-2.5	-0.7	1.7
Effective income tax rate	<u>12.6</u>	<u>20.3</u>	<u>20.1</u>

Notes Relating to Loss on Impairment of Fixed Assets

The company, which groups its assets in terms of its business units, accounted for impairment for the following groups of assets during the terms under review.

1. Tokyo Studio in the Crystal Division

Location	Akishima-shi, Tokyo
Use	Facilities for manufacturing crystal glassware, etc.
Asset Class	Machinery and equipment, etc.

In the Crystal Division, which experienced a substantial decline in demand for personal consumption and for corporate gifts amid the sluggish market, and book value of the asset group relating to this division was decreased to its recoverable amount, and the decrease was posted as impairment loss under extraordinary losses.

	<u>Millions of Yen</u>		
	<u>Three months ended</u>		
	<u>Dec.31, 2007</u>	<u>Dec.31, 2006</u>	<u>Sep.30, 2007</u>
Machinery and others	<u>49</u>	<u>320</u>	<u>51</u>
Total	<u>49</u>	<u>320</u>	<u>51</u>

The recoverable amount of the asset group was measured in terms of its value in use while its future cash flows were computed by discounting them by 5%.

2. Rights in the Health Care Division

Location	San Diego, U.S.A.
Use	Research of Health Care products
Asset Class	Intangible fixed assets

Since there was a possibility for the non-competition provision, a basis of the rights that have been posted as intangible fixed assets, to be cancelled during the term under review, book value of the asset was decreased to its recoverable amount, and the decrease was posted as impairment loss under extraordinary losses.

	<u>Millions of Yen</u>		
	<u>Three months ended</u>		
	<u>Dec.31, 2007</u>	<u>Dec.31, 2006</u>	<u>Sep.30, 2007</u>
Intangible fixed assets	<u>—</u>	<u>—</u>	<u>211</u>
Total	<u>—</u>	<u>—</u>	<u>211</u>

The recoverable amount of the asset was measured in terms of its value in use while its future cash flows were computed by discounting them by 5%.

Notes Relating to Business Merger

1. Name and description of business operations of the acquired company, reasons for the business merger, business merger date, legal configuration of the business merger, company name subsequent to the merger and ratio of acquired voting rights.

(1) Name and description of business operations of the acquired company

Acquired company: PENTAX Corporation
 Description of business operations: Life care, imaging systems, optical components and other product manufacturing, marketing, etc.

(2) Major reasons for the business merger

HOYA and PENTAX aim to establish a solid management foundation by leveraging managerial resources of the two companies in a mutually complementary manner and to enhance corporate value by utilizing the two companies' strength in optical and precision processing technologies to develop appealing products and provide them to a broader customer base.

Subsequent to the business merger, HOYA and PENTAX shall aim for the optimization of the business portfolio and a further reinforcement of competitive strength.

(3) Business merger date August 14, 2007
 (4) Legal configuration of the business merger Acquisition of stock
 (5) Name of the company subsequent to the merger PENTAX Corporation
 (6) Acquired voting rights 90.58%

2. Term of business performance of the acquired company included in consolidated financial statements of the quarter

The term from October 1, 2007 to December 31, 2007 are consolidated.

3. Acquisition cost of the acquired company and breakdown

Cost of stock acquisition	94,482 millions of Yen
Disbursement directly required for the acquisition of stock	296
<u>Cost of acquisition</u>	<u>94,778</u>

4. Amount of goodwill or negative goodwill, reason for occurrence and depreciation method and term

(1) Goodwill amount 53,418 millions of Yen
 (excluding the portion of goodwill reported at the acquired company before the acquisition makes 46,718 millions of Yen)
 (2) Cause for occurrence Since current net asset value at the time of the business merger was lower than the acquisition cost, the difference is recognized as goodwill.
 (3) Depreciation method and term 10-year term, straight line method

5. Assets and liabilities acquired as of the business merger date and breakdown of major items

Current assets	99,351 millions of Yen
<u>Fixed assets</u>	<u>55,966</u>
Total assets	155,318
Current liabilities	67,822 millions of Yen
<u>Fixed liabilities</u>	<u>39,716</u>
Total liabilities	107,539

6. Allocation of acquisition cost

Allocation of acquisition cost has not completed in this third quarter, therefore the tentative accounting treatment was taken based on the most rational information available at the preparation of this financial statements.

7. Regarding Merger of HOYA and PENTAX Corporation

HOYA Corporation, at the meeting of the Board of Directors on October 29, 2007, resolved to sign the merger agreement between HOYA and PENTAX, a consolidated subsidiary of HOYA as of March 31, 2008.

For more information, please visit the following websites to get the news release dated October 29, 2007, "Notice of Merger Agreement between HOYA and PENTAX".

The Tokyo Stock Exchange

<http://www.tse.or.jp/listing/compsearch/index.html> (Japanese only)

HOYA corporate website (English is available)

http://www.hoya.co.jp/HOYA_DYNAMIC/index.cfm?fuseaction=investor.news_e

Per Share Information

	<u>Three months ended</u>		
	<u>Dec.31,2007</u>	<u>Dec.31,2006</u>	<u>Sep.30,2007</u>
Net assets per share (Yen)	947.28	791.55	908.55
Net income per share (Yen)	52.22	46.32	48.64
Net income per share after adjustment of potential shares (Yen)	52.18	46.14	48.55

The basics of the calculation of per share information are as follows:

	<u>Three months ended</u>		
	<u>Dec.31,2007</u>	<u>Dec.31,2006</u>	<u>Sep.30,2007</u>
Net assets per share			
Total of net assets in consolidated balance sheets (Millions of Yen)	418,780	343,290	401,907
Amount not imputed to common shareholders (Millions of Yen)	8,751	1,948	8,679
breakdown: (Minority interest)	8,198	1,836	8,203
(Advances on subscription to treasury stock)	—	45	—
(New share subscription rights)	553	66	476
Net assets related to common stock (Millions of Yen)	410,028	341,342	393,227
Number of common stocks issued at end of the term excluding treasury stocks (unit:shares)	432,846,813	431,232,723	432,808,401
Net income per share			
Net income (Millions of Yen)	22,603	19,963	21,020
Amount not imputed to common shareholders (Millions of Yen)	—	—	—
Net income related to common stock (Millions of Yen)	22,603	19,963	21,020
Average number of common stocks in the term (unit:shares)	432,830,367	431,037,606	432,171,861
Net income per share after adjustment of potential shares			
Net income (Millions of Yen)	22,603	19,963	21,020
Amount not imputed to common shareholders (Millions of Yen)	—	—	—
Net income related to common stock (Millions of Yen)	22,603	19,963	21,020
Number of increase in common stocks (unit:shares)	334,997	1,614,152	825,716
Average number of common stocks after adjustment of potential shares in the term (unit:shares)	433,165,364	432,651,758	432,997,577

(6) Segment Information

HOYA CORPORATION and Consolidated Subsidiaries

1. Industry Segments

For the three months ended December 31, 2007

	Millions of Yen								
	Electro- Optics	Photo- nics	Vision Care	Health Care	Pentax	Others	Total	Elimi. or corp.*	Consoli- dated
Net sales:									
To outside customers	53,151	2,459	31,561	11,501	48,107	276	147,055	—	147,055
Intersegment	165	68	0	—	—	662	894	-894	—
Total	53,315	2,526	31,561	11,501	48,107	937	147,949	-894	147,055
Operating expenses	34,628	2,222	26,169	8,885	46,611	1,082	119,598	-68	119,530
Operating income (-loss)	18,687	304	5,391	2,616	1,495	-144	28,351	-826	27,525
Operating margin	35.1%	12.0%	17.1%	22.7%	3.1%	-15.4%	19.2%	—	18.7%
Assets	248,834	7,904	133,084	22,706	206,524	2,604	621,659	75,689	697,348
Depreciation	7,510	32	2,243	328	4,348	12	14,475	22	14,497
Loss on impairment	—	—	—	—	—	49	49	—	49
Capital Expenditures	7,276	36	2,031	170	2,412	47	11,974	8	11,982
R&D Expenses	2,853	290	349	294	1,598	3	5,389	—	5,389
Number of employees (p)	20,225	191	7,695	966	5,859	219	35,155	66	35,221

For the three months ended December 31, 2006

	Millions of Yen								
	Electro- Optics	Photo- nics	Vision Care	Health Care	Pentax	Others	Total	Elimi. or corp.*	Consoli- dated
Net sales:									
To outside customers	56,469	2,246	29,806	10,195	—	212	98,929	—	98,929
Intersegment	103	67	-2	0	—	694	863	-863	—
Total	56,573	2,313	29,804	10,195	—	906	99,792	-863	98,929
Operating expenses	35,891	2,196	24,803	8,109	—	1,096	72,095	-381	71,712
Operating income	20,681	118	5,002	2,086	—	-190	27,696	-481	27,216
Operating margin	36.6%	5.1%	16.8%	20.5%	—	-21.0%	27.8%	—	27.5%
Assets	267,415	7,683	110,728	21,368	—	2,448	409,643	13,834	423,478
Depreciation	7,413	32	1,749	300	—	11	9,508	19	9,528
Loss on impairment	—	—	—	—	—	4	4	—	4
Capital Expenditures	6,216	20	3,093	721	—	9	10,061	2	10,064
R&D Expenses	2,406	295	265	437	—	39	3,444	—	3,444
Number of employees (p)	19,927	204	7,400	881	—	205	28,617	63	28,680

Ref : Differences between the 3rd quarter of this year and the same period last year

	Millions of Yen								
	Electro- Optics	Photo- nics	Vision Care	Health Care	Pentax	Others	Total	Elimi. or corp.*	Consoli- dated
Net sales:									
To outside customers	-3,318	213	1,755	1,306	48,107	64	48,126	—	48,126
Variance(%)	-5.9%	9.5%	5.9%	12.8%	—	30.2%	48.6%	—	48.6%
Intersegment	62	1	2	-0	—	-32	31	-31	—
Total	-3,258	213	1,757	1,306	48,107	31	48,157	-31	48,126
Operating expenses	-1,263	26	1,366	776	46,611	-14	47,503	313	47,818
Operating income	-1,994	186	389	530	1,495	46	655	-345	309
Variance(%)	-9.6%	157.6%	7.8%	25.4%	—	—	2.4%	—	1.1%
Assets	-18,581	221	22,356	1,338	206,524	156	212,016	61,855	273,870
Depreciation	97	0	494	28	4,348	1	4,967	3	4,969
Loss on impairment	—	—	—	—	—	45	45	—	45
Capital Expenditures	1,060	16	-1,062	-551	2,412	38	1,913	6	1,918
R&D Expenses	447	-5	84	-143	1,598	-36	1,945	—	1,945
Number of employees (p)	298	-13	295	85	5,859	14	6,538	3	6,541

*Elimi. or corp. : Eliminations or corporate

Notes:

1. The business divisions are classified by the similarities in products, such as types, characters, etc.
 2. Products and Services of each Business Division:
- (1) Since PENTAX and its subsidiaries were consolidated to HOYA Corporation during the period under review, the segmentation of business category, products and services are reclassified as per below. Although PENTAX and its subsidiaries operate several businesses classified into mainly three segments, they are presented as one segment of "PENTAX" in this report.

Profit and loss of PENTAX and its subsidiaries are combined into the consolidated statement of income from October 1, 2007 and the statement of income includes PENTAX and its subsidiaries' profit and loss only for three months ended December 31, 2007.

Business Category	Division	Products and Services
Information Technology	Electro-Optics	Photomasks and Maskblanks for semiconductors, Masks and Devices for liquid-crystal displays (LCDs), Glass disks for hard disk drives (HDDs), Optical lenses, optical glasses, electronic glasses, Optical communication related devices, etc.
	Photonics	Lazer equipments for industrial, dental, and medical purposes, Light sources for electronics industry, special optical glasses, etc.
Eye Care	Vision Care	Eyeglass lenses, eyeglass frames, etc.
	Health Care	Contact lenses and accessories, intraocular lenses, etc.
Pentax		(Lifecare) Endoscopes, Medical Accessories, APACERAM bone prosthesis, CHT Ceramic Hydroxyapatite, etc.
		(Imaging System)
		Digital cameras, Interchangeable lenses, Accessories for cameras, etc.
		(Optical Components)
Others		Digital camera modules, Micro lenses, CCTV lenses, etc. Crystal glass products; Design of information systems, etc.

- (2) Formerly the company's business segment classification was as follows:

Business Category	Division	Products and Services
Information Technology	Electro-Optics	Photomasks and Maskblanks for semiconductors, Masks and Devices for liquid-crystal displays (LCDs), Glass disks for hard disk drives (HDDs), Optical lenses, optical glasses, electronic glasses, Optical communication related devices, etc.
	Photonics	Lazer equipments for industrial, dental, and medical purposes, Light sources for electronics industry, special optical glasses, etc.
Eye Care	Vision Care	Eyeglass lenses, eyeglass frames, etc.
	Health Care	Contact lenses and accessories, intraocular lenses, etc.
Others		Crystal glass products; Design of information systems, etc.

3. Amounts and composition of unallocable operating expenses are included in "Eliminations or Corporate". Corporate operating expenses mainly consist of the administration expenses of the headquarters of the Company and the overseas regional headquarters, which are not allocated to each industry segment. Corporate operating expenses for the three months ended Dec. 31, 2007 and 2006 are as follows:

<u>2007</u>	916 million Yen	<u>2006</u>	758 million Yen
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4. Corporate assets included in "Eliminations or Corporate" mainly consist of cash, time deposits, investments securities and administrative assets of the Company and the overseas regional headquarters. Corporate assets as of Dec. 31, 2007 and 2006 are as follows:

<u>2007</u>	107,867 million Yen	<u>2006</u>	33,181 million Yen
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2. Geographical Segments

For the three months ended December 31, 2007

	Millions of Yen						
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	Consolidated
Net sales:							
To outside customers	79,452	19,580	32,246	15,778	147,055	—	147,055
Intersegment	22,424	95	215	41,719	64,453	-64,453	—
Total	101,876	19,675	32,461	57,496	211,508	-64,453	147,055
Operating expenses	96,428	15,775	30,283	43,145	185,632	-66,102	119,530
Operating income	5,448	3,901	2,178	14,351	25,876	1,649	27,525
Operating margin	5.3%	19.8%	6.7%	25.0%	12.2%	—	18.7%
Assets	342,142	46,871	82,065	259,038	730,118	-32,769	697,348

For the three months ended December 31, 2006

	Millions of Yen						
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	Consolidated
Net sales:							
To outside customers	68,434	9,279	13,417	7,799	98,929	—	98,929
Intersegment	6,691	74	150	41,204	48,118	-48,118	—
Total	75,125	9,354	13,567	49,002	147,047	-48,118	98,929
Operating expenses	65,581	8,921	11,497	35,150	121,150	-49,438	71,712
Operating income	9,543	432	2,069	13,852	25,897	1,319	27,216
Operating margin	12.7%	4.6%	15.3%	28.3%	17.6%	—	27.5%
Assets	175,142	13,879	81,580	211,728	482,330	-58,851	423,478

Ref: Differences between the 3rd quarter of this year and the same period last year

	Millions of Yen						
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	Consolidated
Net sales:							
To outside customers	11,018	10,301	18,829	7,979	48,126	—	48,126
Variance(%)	16.1%	111.0%	140.3%	102.3%	48.6%	—	48.6%
Intersegment	15,733	21	65	515	16,335	-16,335	—
Total	26,751	10,321	18,894	8,494	64,461	-16,335	48,126
Operating expenses	30,847	6,854	18,786	7,995	64,482	-16,664	47,818
Operating income	-4,095	3,469	109	499	-21	330	309
Variance(%)	-42.9%	803.0%	5.3%	3.6%	-0.1%	—	1.1%
Assets	167,000	32,992	485	47,310	247,788	26,082	273,870

Notes:

- Countries and regions are classified by geographical proximity, and the Company and subsidiaries are summarized in four areas based on the countries where the Group offices are located. The major countries and regions that belong to the classification other than Japan are as follows:
 - North America: United States of America, Canada, etc.
 - Europe: Netherlands, Germany, United Kingdom, etc., including South Africa
 - Asia: Singapore, Thailand, China, Republic of Korea, Taiwan, etc., including Australia
- Amounts and composition of unallocable operating expenses are included in "Eliminations or Corporate". Corporate operating expenses mainly consist of the administration expenses of the headquarters of the Company and the overseas regional headquarters, which are not allocated to each industry segment. Corporate operating expenses for the three months ended Dec. 31, 2007 and 2006 are as follows:

<u>2007</u>	885 million Yen	<u>2006</u>	658 million Yen
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- Corporate assets included in "Eliminations or Corporate" mainly consist of cash, time deposits, investments securities and administrative assets of the Company and the overseas regional headquarters. Corporate assets as of Dec. 31, 2007 and 2006 are as follows:

<u>2007</u>	85,610 million Yen	<u>2006</u>	30,956 million Yen
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3. Overseas Sales

For the three months ended December 31, 2007

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	20,264	33,007	43,981	453	97,705
Total Consolidated Net Sales (B)					147,055
Overseas Sales ratio (A/B)	13.8%	22.4%	29.9%	0.3%	66.4%
Regional breakdown	20.7%	33.8%	45.0%	0.5%	100.0%

For the three months ended December 31, 2006

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	11,139	13,957	29,754	1	54,851
Total Consolidated Net Sales (B)					98,929
Overseas Sales ratio (A/B)	11.2%	14.1%	30.1%	0.0%	55.4%
Regional breakdown	20.3%	25.4%	54.3%	0.0%	100.0%

Ref: Differences between the 3rd quarter of this year and the same period last year

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	9,125	19,050	14,227	452	42,854
Total Consolidated Net Sales (B)					48,126
Variance of Overseas Sales(%)	81.9%	136.5%	47.8%	—	78.1%

Notes: 1. The overseas sales represent the sales of the Company and subsidiaries in countries and regions other than Japan.

2. Countries and regions are classified by geographical proximity, and the overseas sales are summarized in four areas based on the countries where the *Customers* are located. The major countries and regions that belong to the classification other than Japan are as follows:

North America: United States of America, Canada, etc.
 Europe: Netherlands, Germany, United Kingdom, etc., including South Africa
 Asia: Singapore, Thailand, Republic of Korea, Taiwan, etc., including Australia
 Other: Saudi Arabia, Brazil, etc.

(7) Composition of Net Sales by Business Category

HOYA CORPORATION and Consolidated Subsidiaries

Business Category	Millions of yen, (%), [%]					
	Three months ended Dec. 31,		Variance		Three months ended	
	2007	2006	Amount	%	Sep.30, 2007	
Electro-Optics						
Domestic	21,998 (41.4)	24,410 (43.2)	-2,412	-9.9	22,858 (41.4)	
Overseas	31,153 (58.6)	32,059 (56.8)	-906	-2.8	32,328 (58.6)	
total	53,151 [36.1]	56,469 [57.1]	-3,318	-5.9	55,186 [54.7]	
Photonics						
Domestic	1,195 (48.6)	1,050 (46.7)	145	13.8	1,255 (55.3)	
Overseas	1,264 (51.4)	1,196 (53.3)	68	5.7	1,016 (44.7)	
total	2,459 [1.7]	2,246 [2.3]	213	9.5	2,271 [2.2]	
Information Technology						
Domestic	23,193 (41.7)	25,460 (43.4)	-2,267	-8.9	24,113 (42.0)	
Overseas	32,417 (58.3)	33,255 (56.6)	-838	-2.5	33,344 (58.0)	
total	55,610 [37.8]	58,716 [59.4]	-3,106	-5.3	57,457 [56.9]	
Vision Care						
Domestic	8,288 (26.3)	8,577 (28.8)	-289	-3.4	8,815 (28.1)	
Overseas	23,273 (73.7)	21,229 (71.2)	2,044	9.6	22,554 (71.9)	
total	31,561 [21.5]	29,806 [30.1]	1,755	5.9	31,369 [31.1]	
Health Care						
Domestic	11,024 (95.9)	9,835 (96.5)	1,189	12.1	11,438 (96.1)	
Overseas	477 (4.1)	360 (3.5)	117	32.5	470 (3.9)	
total	11,501 [7.8]	10,195 [10.3]	1,306	12.8	11,908 [11.8]	
Eye Care						
Domestic	19,312 (44.8)	18,412 (46.0)	900	4.9	20,253 (46.8)	
Overseas	23,750 (55.2)	21,589 (54.0)	2,161	10.0	23,024 (53.2)	
total	43,062 [29.3]	40,001 [40.4]	3,061	7.7	43,278 [42.9]	
Pentax						
Domestic	6,569 (13.7)	— (—)	6,569	—	— (—)	
Overseas	41,538 (86.3)	— (—)	41,538	—	— (—)	
total	48,107 [32.7]	— [—]	48,107	—	— [—]	
Others						
Domestic	276 (100.0)	205 (96.7)	71	34.6	245 (100.0)	
Overseas	0 (0.0)	7 (3.3)	-7	—	0 (0.0)	
total	276 [0.2]	212 [0.2]	64	30.2	245 [0.2]	
Total Net Sales						
Domestic	49,350 (33.6)	44,078 (44.6)	5,272	12.0	44,611 (44.2)	
Overseas	97,705 (66.4)	54,851 (55.4)	42,854	78.1	56,369 (55.8)	
Total	147,055 [100.0]	98,929 [100.0]	48,126	48.6	100,980 [100.0]	

Notes: 1.Figures of less than a million yen are omitted.

2.Figures in () are percentages of business category sales.

3.Figures in [] are percentages of total net sales.