



April 23, 2007

Quarterly Financial Highlights (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries

Contact : Naoji Ito, Manager of Corporate Communications

Tel:03(3952)1160 Fax:03(3952)0726 E-mail:naoji.ito@mb.hoya.co.jp

Performance for the fourth quarter (three months ended March 31, 2007 and 2006)

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

(1)Results of Operations	Three months ended March 31,		Variance (%)
	2007	2006	
Net sales	99,467	90,204	10.3
Operating income	24,631	24,043	2.4
Ordinary income	26,922	22,036	22.2
Net income	19,028	16,514	15.2
Basic net income per share(Yen)	44.11	38.21	
Diluted net income per share(Yen)	43.97	38.03	

Notes : Canges in accounting policy.

From this fiscal year, the company has changed its classification of industry segment.

(2)Financial Position	As of Mar. 31,	As of Dec. 31,	As of Mar. 31,
	2007	2006	2006
Total assets	447,644	423,478	361,537
Net assets	367,145	343,290	279,480
Owner's equity ratio	81.6%	80.6%	77.3%
Net assets per share (Yen)	845.98	791.55	648.87

(3)Conditions of Cash Flow	Three months ended March 31,	
	2007	2006
Net cash provided by operating activities	29,759	41,269
Net cash used in investing activities	-13,287	-11,896
Net cash provided by (used in) financing activities	-5,323	-19,304
Cash and cash equivalents at end of period	120,621	83,574

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.

1. Business Overview

(1) Results of Operations

1. General Overview

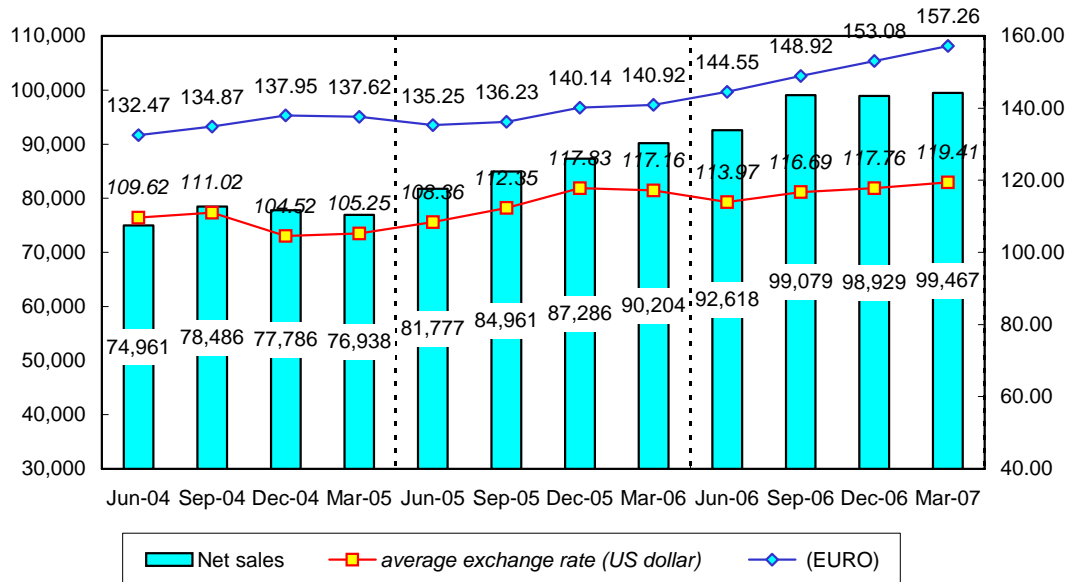
Results of Operations	Millions of Yen	Variance(%)
	Three months ended Mar. 31, 2007	year-on-year
Net sales	99,467	(10.3)
Operating income	24,631	(2.4)
Ordinary income	26,922	(22.2)
Net income	19,028	(15.2)
Net income per share(Yen)	44.11	5.90

Economic conditions during the quarter under review made slow improvement due to the concerns on deceleration of the US economy and temporally depreciation of the Yen along with global falling of stock prices. However, with keeping high tone of capital investments and expansion of employment the economic recovery appeared to spread to non-manufacturing industries from export related industries which had mainly driven the recovery until then. As a consequence, economy as a whole continued to post a gradual upward growth.

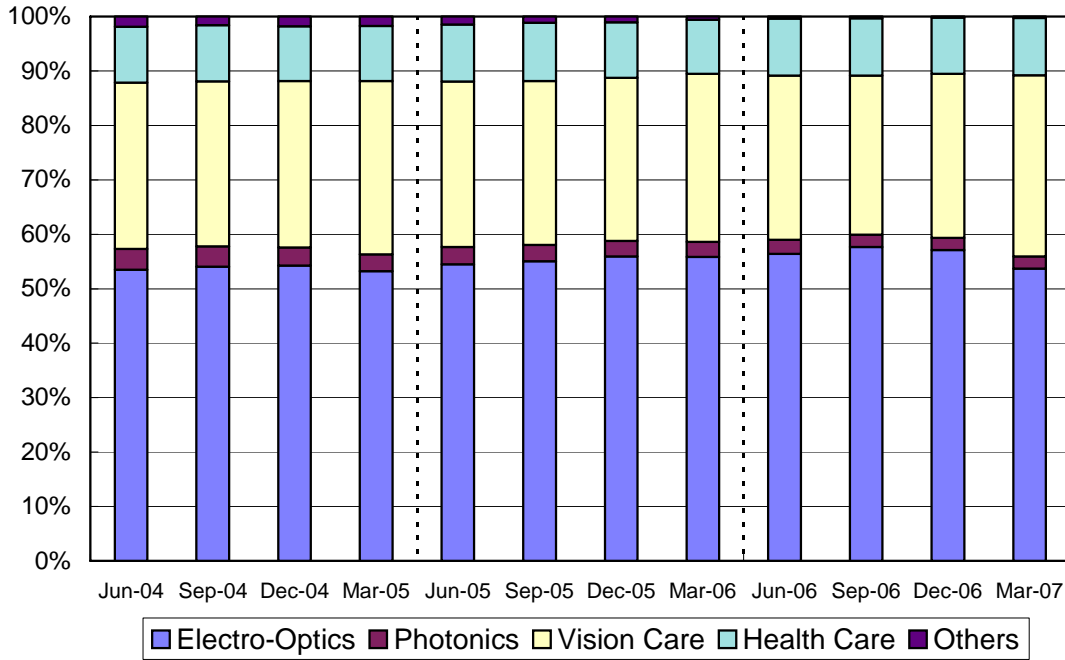
Meanwhile, for the HOYA Group overall, in the Electro-Optics sector, the general proactive reinforcement of production capacity by clients and the development of new products were vigorous, promoting robust demand overall and leading to increased revenues year-on-year basis. In Vision-Care division, the market overseas for eyeglass lenses showed an expansion while the Healthcare division also performed well, showing an increase in revenues.

As a result, consolidated quarterly net sales, operating profits, ordinary income and net income during the term under review increased year-on-year basis, while there were increase of start-up cost and depreciation on the production facilities recently established.

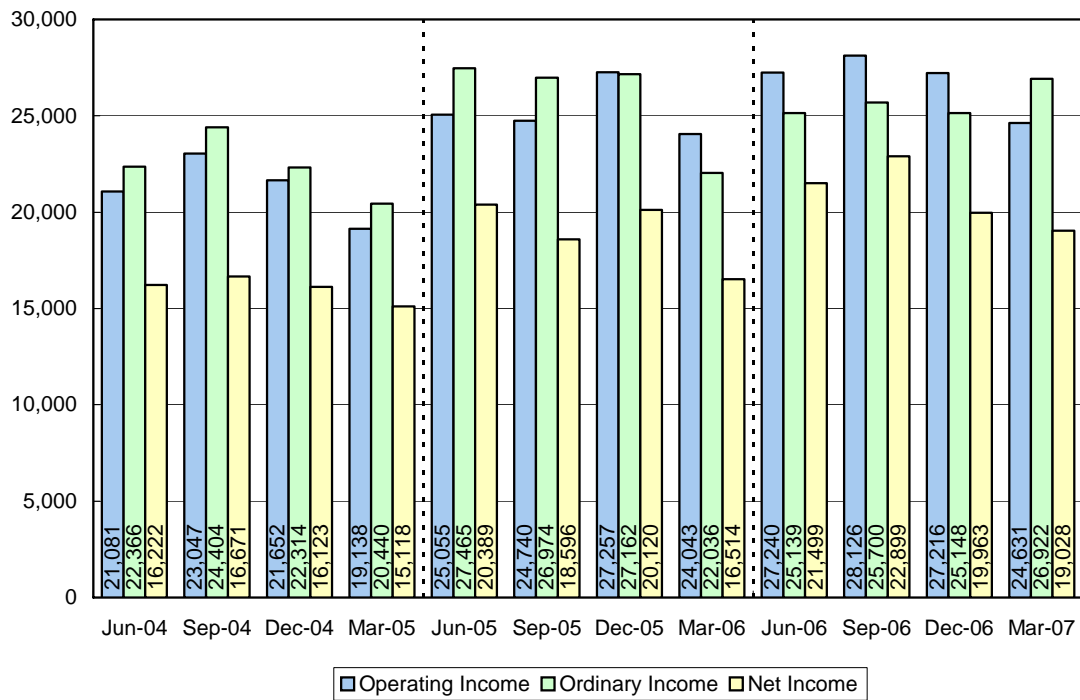
Quarterly net sales (Million Yen) and average exchange rate
(Yen/US dollar & EURO)



Ratio of Net Sales by Business Segment - Quarterly Transition



Quarterly Incomes (Millions of Yen)



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 also an increase in orders for photomasks for semiconductor production, high precision products and next-generation developed products, leading to higher sales volume year-on-year. Competition among mask producers for orders in the area of large-size masks for LCD use intensified due to the broad reduction in panel prices by LCD panel producers. As a result, the sales of LCD large masks decreased year-on-year.

In terms of glass disks for hard disk drives (HDDs), the sales increased on a year-on-year basis along with the growth of HDD, while it decreased against the previous quarter due to the seasonal fluctuation of demand and the internal delay in commencing of production with perpendicular recording method.

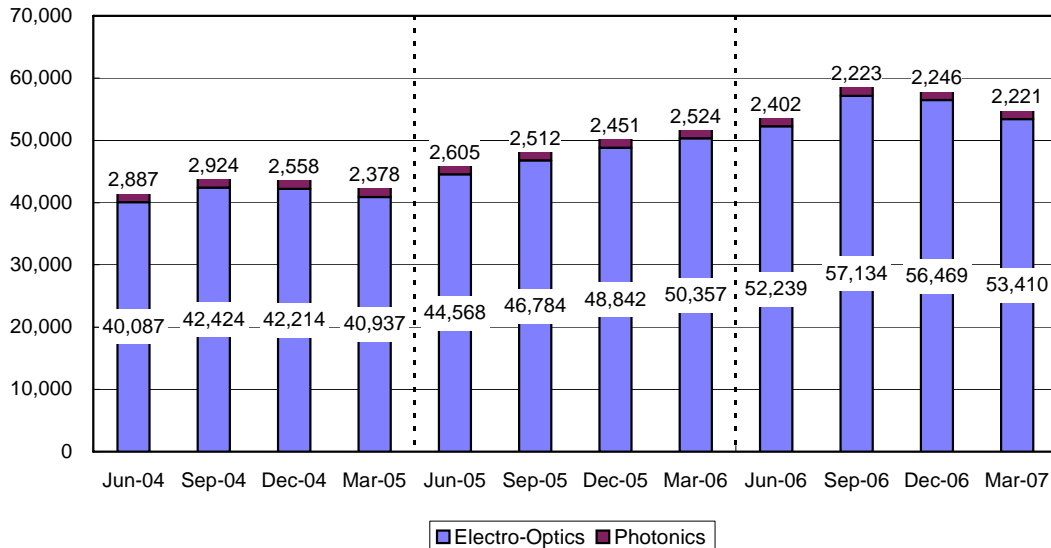
In optical lenses, a trend toward increase in lens shipments for digital cameras, not only of aspherical molded lenses but also polished lenses, has driven the overall growth of sales, in addition to the broad increase of demand for lenses for mobile telephones equipped with cameras, resulting in higher 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, leading to a decline in sales against the previous year.

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. Overall sales in the domestic market increased slightly year-on-year instead of stiff price competition in the low price bracket.

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. In Europe, a recovery in the market became especially apparent and sustained expansion was realized.

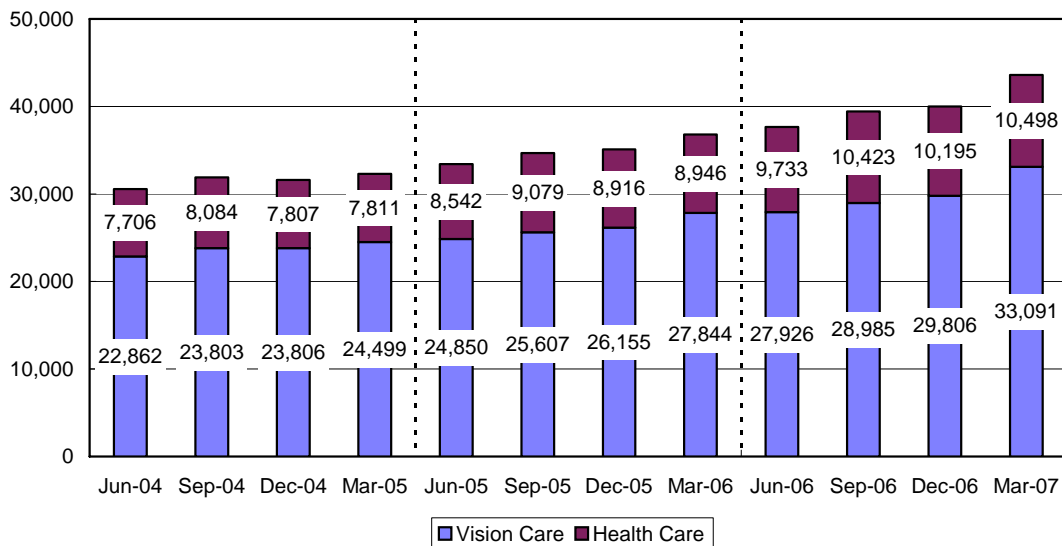
As a result, an increase was realized in the sector overall year-on-year.

Health Care

In contact lenses, in addition to the healthy sales results made by the existing directly-owned stores, it will continue to pursue differentiation from competitors through expanded sales in bifocal lenses and other high value added products through the continued establishment of new stores and consulting sales taking advantage of specialized knowledge.

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

Quarterly Net Sales of Eye Care (Millions of Yen)



3) OthersMillions of YenThree months ended Mar. 31, 2007

Quarterly net sales	246
---------------------	-----

In crystal, the crystal operations were reduced in scale through restructuring and, in services, the spin-off of the temporary staff outplacement service effective March 1, 2006, resulting in a reduction in sales year-on-year in both sectors.

(2) Financial Position**1. Assets, Liabilities and Net assets**Millions of YenAs of Mar. 31, 2007

Total assets	447,644
Net assets	367,145
Owner's equity ratio	81.6%

At the end of the quarter under review, the current assets increased Yen 18,703 million from the beginning of the quarter under review since cash and deposit increased Yen 14,873 million. Fixed assets increased Yen 5,463 million and total assets increased Yen 24,166 million. Liabilities increased Yen 312 million. Net assets came to Yen 367,145 million through increase of earned surplus. Owner's equity, which is total figures of Shareholders' equity and Valuation and translation adjustments, came to Yen 365,102 million and Owner's equity ratio came to 81.6%.

2. Conditions of Cash FlowsMillions of YenThree months ended Mar. 31, 2007

Net cash provided by operating activities	29,759
Net cash used in investing activities	-13,287
Net cash provided by (used in) financing activities	-5,323
Cash and cash equivalents at end of period	120,621

In terms of cash flows from operating activities, on the basis of Yen 24,872 million in income before income taxes and Yen 10,744 million in depreciation, net cash provided by operating activities amounted to 29,759 million. Net cash used in investment activities amounted to Yen 13,287 million in cash payments that were mainly used for investment in order to handle next-generation products. Free cash flow came to Yen 16,472 million. As a result, the term-end balance of cash and cash equivalents increased by Yen 14,873 million in comparison with that of the end of the previous quarter.

2. Consolidated Financial Statements (Quarterly)

(1) Consolidated Balance Sheets (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries	Millions of Yen			
	Mar.31,2007	Dec.31,2006	Variance(%)	Mar.31,2006
ASSETS				
Current assets				
Cash and deposits	120,621	105,748		83,574
Notes and accounts receivable - trade	94,296	93,673		78,380
Inventories	49,721	47,861		41,178
Deferred tax assets	7,067	4,781		7,407
Other current assets	5,309	6,151		3,246
Allowance for doubtful receivables	-1,311	-1,213		-1,512
Total current assets	275,706	257,003	7.3	212,273
Fixed assets				
Tangible fixed assets				
Buildings and structures	33,871	31,716		29,548
Machinery and carriers	75,961	74,759		58,493
Tools, equipment and fixtures	12,311	12,451		10,716
Lands	9,154	9,066		8,648
Construction in progress	11,918	10,916		13,196
Total tangible fixed assets	143,218	138,908	3.1	120,603
Intangible fixed assets				
Total intangible fixed assets	6,248	5,952	5.0	7,424
Investments and other assets				
Investment securities	14,575	14,085		14,060
Deferred tax assets	2,723	2,896		2,757
Other assets	5,493	4,947		4,601
Allowance for doubtful receivables	-322	-316		-295
Total investment and other assets	22,470	21,613	4.0	21,123
Total fixed assets	171,937	166,474	3.3	149,152
Deferred charges				
Total deferred charges	-	-	-	111
TOTAL ASSETS	447,644	423,478	5.7	361,537

HOYA CORPORATION and Consolidated Subsidiaries	Millions of Yen			
	As of			
LIABILITIES AND NET ASSETS	Mar.31,2007	Dec.31,2006	Variance(%)	Mar.31,2006
LIABILITIES				
Current liabilities				
Notes and accounts payable - trade	28,779	28,612		28,070
Commercial paper	—	5,997		—
Income tax payable	12,821	8,623		14,342
Accrued bonuses to employees	4,327	2,248		4,207
Other current liabilities	32,252	32,756		32,685
Total current liabilities	78,181	78,238	-0.1	79,305
Long-term liabilities				
Allowance for special repairs	890	778		619
Other long-term liabilities	1,427	1,170		1,211
Total long-term liabilities	2,317	1,949	18.9	1,831
Total Liabilities	80,499	80,187	0.4	81,137
NET ASSETS				
Shareholders' equity				
Paid-in capital	6,264	6,264		—
Capital surplus	15,898	15,898		—
Earned surplus	322,513	304,051		—
Treasury stock	-12,753	-13,998		—
Advances on subscription to treasury stock	1	45		—
Total shareholders' equity	331,924	312,261	6.3	—
Valuation and translation adjustments				
Valuation difference on available-for-sale securities	-85	-36		—
Translation adjustments	33,263	29,162		—
Total valuation and translation adjustments	33,177	29,126	13.9	—
New share subscription rights	167	66	153.0	—
Minority interest	1,876	1,836	2.2	—
Total Net Assets	367,145	343,290	6.9	—
TOTAL LIABILITIES AND NET ASSETS	447,644	423,478	5.7	—
MINORITY INTEREST	—	—	—	919
SHAREHOLDERS' EQUITY				
Common stock	—	—	—	6,264
Capital surplus	—	—	—	15,898
Retained earnings	—	—	—	266,345
Net unrealized gain (loss) on available-for-sale securities	—	—	—	110
Foreign currency translation adjustments	—	—	—	7,142
Treasury stock - at cost	—	—	—	-16,279
Total Shareholders' Equity	—	—	—	279,480
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	—	—	—	361,537
Notes:				
	Millions of Yen			
1. Accumulated depreciation	223,095	213,543		181,818
2. Guarantees of borrowings and lease obligations for customers and Group's employees	2,774	2,739		2,210
3. Number of shares of treasury stock (unit : shares)	3,447,681	3,784,297		4,401,607

2. Consolidated Statements of Income (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries

Millions of Yen

	Three months ended				
	Mar.31,2007	Mar.31,2006	Variance		Dec.31,2006
			Value	(%)	
Net sales	99,467	90,204	9,263	10.3	98,929
Cost of sales	51,038	46,839	4,199	9.0	50,716
Gross profit	48,428	43,364	5,064	11.7	48,214
Selling, general and administrative expenses	23,798	19,321	4,477	23.2	20,997
Operating income	24,631	24,043	588	2.4	27,216
Non-operating income	2,939	655	2,284	348.7	2,472
Interest income	1,114	332	782		567
Foreign exchange gains	734	—	734		—
Equity in earnings of affiliates	586	—	586		894
Others	503	322	181		1,011
Non-operating expenses	648	2,663	-2,015	-75.7	4,540
Interest expense	44	40	4		6
Sales Discount	238	193	45		207
Foreign exchange losses	—	1,235	-1,235		3,085
Equity in losses of affiliates	—	601	-601		—
Others	365	591	-226		1,242
Ordinary income	26,922	22,036	4,886	22.2	25,148
Extra-ordinary gains	65	585	-520	-88.9	340
Gain on sales of property, plant and equipment	5	52	-47		17
Others	60	533	-473		322
Extra-ordinary losses	2,115	1,663	452	27.2	381
Additional retirement benefits paid to employees	837	162	675		119
Loss on disposal of property, plant and equipment	491	231	260		178
Maintenance of Environment	17	140	-123		10
Loss on impairment	1	785	-784		4
Others	769	344	425		69
Income before income taxes and other items	24,872	20,958	3,914	18.7	25,106
Income taxes - Current	7,963	5,312	2,651	49.9	2,181
Income taxes - Deferred	-2,188	-778	-1,410	181.2	2,905
Minority interests in net income	67	-89	156	-	56
Net income	19,028	16,514	2,514	15.2	19,963
Basic net income per share(Yen)	44.11	38.21	5.90		46.32
Diluted net income per share(Yen)	43.97	38.03	5.94		46.14

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	Million Yen	99,467	97,457	2,010
Operating income	Million Yen	24,631	23,106	1,525
Ordinary income	Million Yen	26,922	25,149	1,773
Net income	Million Yen	19,028	17,498	1,530

2. Average rates of major foreign currencies		Three months ended		
		Mar.31,2007	Mar.31,2006	Variance(%)
US\$	Yen	119.41	117.16	-1.9%
Euro	Yen	157.26	140.92	-11.6%
Thail Baht	Yen	3.58	3.00	-19.3%

(3) Consolidated Statements of Shareholders' Equity (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries

	Millions of Yen					
	Shareholders' Equity					Total Shareholders' Equity
	Paid-in Capital	Capital Surplus	Earned Surplus	Treasury Stock	Advances on subscription to treasury stock	
BALANCE DECEMBER 31, 2006	6,264	15,898	304,051	-13,998	45	312,261
Net income			19,028			19,028
Appropriations						
Cash dividends						
Repurchase of treasury stocks				-3		-3
Disposal of treasury stocks			-565	1,247		681
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others					-43	-43
Net increase / decrease during the term under review except in Shareholders' Equity						
Total increase / decrease during the term under review	-	-	18,462	1,244	-43	19,663
BALANCE MARCH 31, 2007	6,264	15,898	322,513	-12,753	1	331,924

	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 DECEMBER 31, 2006	-36	29,162	29,126	66	1,836	343,290
Net income						19,028
Appropriations						
Cash dividends						
Repurchase of treasury stocks						-3
Disposal of treasury stocks						681
Increase / decrease due to change in accounting standard of overseas consolidated subsidiaries						
Others						-43
Net increase / decrease during the term under review except in Shareholders' Equity	-49	4,100	4,051	167	39	4,258
Total increase / decrease during the term under review	-49	4,100	4,051	100	39	23,854
BALANCE MARCH 31, 2007	-85	33,263	33,177	167	1,876	367,145

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
		3,784,297	724	337,340	3,447,681	

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

Increase due to repurchase of treasury stock less than one unit	724 shares
Decrease due to sale of treasury stock less than one unit	140 shares
Decrease due to exercise of stock option	337,200 shares

(4) Consolidated Statements of Cash Flows (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries

	<u>Millions of Yen</u>		
	<u>Three months ended Mar.31</u>		
	2007	2006	variance
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	24,872	20,958	3,914
Depreciation and amortization	10,744	7,821	2,923
Loss on impairment of long-lived assets	1	785	-784
Gain on transfer of businesses	—	-594	594
Provision for (reversal of) accrued allowances for doubtful receivables	103	24	79
Provision for (reversal of) accrued bonuses to employees	2,105	2,120	-15
Provision for (Reversal of) reserve for periodic repairs	111	-137	248
Interest income and dividend receivable	-1,104	-332	-772
Interest expense payable	44	40	4
Foreign exchange loss (gain)	900	72	828
Equity in earnings of affiliates	-586	601	-1,187
Gain on sales of property, plant and equipment and investment securities	-5	-52	47
Loss on disposal of property, plant and equipment and investment securities	490	231	259
Other	-2,394	1,177	-3,571
(Increase) decrease in notes and accounts receivable	-701	5,415	-6,116
(Increase) decrease in inventories	-897	1,215	-2,112
(Increase) decrease in other current assets	1,399	3,714	-2,315
Increase (decrease) in notes and accounts payable	-96	-349	253
Increase (decrease) in income taxes payable	-453	-253	-200
Increase (decrease) in other current liabilities	-1,882	-214	-1,668
Sub total	32,650	42,245	-9,595
Interest and dividend receivable	910	339	571
Interest payable	-10	-41	31
Income taxes - paid	-3,790	-1,273	-2,517
Net cash provided by operating activities	29,759	41,269	-11,510
INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	-11,816	-10,609	-1,207
Proceeds from sales of property, plant and equipment	16	45	-29
Purchases of investment securities	-203	-536	333
Expenditure for acquisition of subsidiary's stocks for consolidation	—	-337	337
Payment for loans	-500	—	-500
Income from collection of loans	8	22	-14
Expenditure for other investments	-897	-1,382	485
Income from other investments	104	72	32
Proceeds from transfer of businesses	—	830	-830
Net cash used in investing activities	-13,287	-11,896	-1,391
FINANCING ACTIVITIES:			
Net increase (decrease) in short-term bank loans	-5,997	-20,000	14,003
Payments for purchase of treasury stock	-3	-3	0
Proceeds from sales of treasury stock	635	698	-63
Dividends paid	42	—	42
Net cash used in financing activities	-5,323	-19,304	13,981
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	3,725	-952	4,677
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,873	9,115	5,758
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	105,748	74,458	31,290
CASH AND CASH EQUIVALENTS, END OF PERIOD	120,621	83,574	37,047

Notes

	<u>Three months ended Mar.31</u>	
	2007	2006
1. Cash and Cash Equivalents at the End of the Period		
Cash and deposits	<u>120,621</u>	<u>83,574</u>
Total	<u>120,621</u>	<u>83,574</u>
2. Details of Important Non-financial Trading		
<u>Three months ended Mar.31, 2007</u>		
None		
<u>Three months ended Mar.31, 2006</u>		<u>Millions of Yen</u>
Cancellation of treasury stock		53,180
(with effect on Feb 1, 2006 for 14,379,000 shares)		
RE : The number of total issued and outstanding shares after the cancellation was 435,017,020 shares.		

(5) Preparation of the Consolidated Financial Statements (Quarterly)

Scope of Consolidation and Application of the Equity Method

- Number of consolidated subsidiaries : 67 companies
(Major consolidated subsidiaries :
<overseas> HOYA HOLDINGS, INC., HOYA HOLDINGS N.V.,
HOYA HOLDINGS ASIA PACIFIC PTE LTD., HOYA PHOTONICS, INC.
<domestic> HOYA CANDEO OPTRONICS CORPORATION, HOYA HEALTHCARE CORPORATION
- Number of unconsolidated subsidiaries : None
- Number of affiliates : 4 companies
(Number of affiliates accounted for by the equity method :
1 company, NH TECHNO GLASS CORP. (Japan)

Notes: Changes in Accounting Policies and Others

1. Changes in scope of consolidation and application of the equity method:

a. Scope of consolidation

In comparison to Mar.31, 2006 : 5 companies increased in total

5 companies increased due to the establishment:	HOYA LENS INDIA PRIVATE LIMITED. (India) HOYA LENS VIETNAM LTD. (Vietnam) Other three companies (overseas)
1 company increased due to the acquisition	HOYA HILL OPTICS SA (PTY) LTD. (South Africa)
1 company decreased due to the merger into the other subsidiary	HOYA CRYSTAL, INC. (USA) * merged into HOYA CORPORATION USA (USA)

In comparison to Dec.31, 2006 : 4 companies increased in total

4 companies increased due to the establishment:	HOYA LENS VIETNAM LTD. (Vietnam) Other three companies (overseas)
---	--

b. Application of the equity method

In comparison to Mar.31, 2006 :No change

In comparison to Dec.31, 2006 :No change

	as of Mar. 31, 2007	as of Mar. 31, 2006	variance	as of Dec. 31, 2006
Consolidated subsidiaries	67 (do 5, os62)	62 (do 5, os57)	+5 (do-, os +5)	63 (do 5, os58)
Nonconsolidated subsidiaries	- (do -, os -)	- (do -, os -)	- (do -, os -)	- (do -, os -)
Affiliates	4 (do 4, os -)	5 (do 5, os -)	-1 (do-1, os-)	4 (do 4, os -)
(accounted for by the equity method)	(1) (do 1, os -)	(1) (do 1, os -)	(-) (do-, os-)	(1) (do 1, os -)
Total Hoya Group	71	67	+4	67
(accounted for by the equity method)	(1)	(1)	(-)	(1)

(do : domestic, os : overseas)

2. Changes in accounting policies

From this fiscal year, the company has changed its classification of industry segment.

(6) Notes for Consolidated Financial Statements (Quarterly)

Notes Relating to Investment Securities and Derivatives

1. Investment securities with market values:

(Millions of Yen)

	As of								
	<u>Mar.31, 2007</u>			<u>Dec.31, 2006</u>			<u>Mar.31, 2006</u>		
	Cost	Fair Value	Variance	Cost	Fair Value	Variance	Cost	Fair Value	Variance
Available-for-sale									
Available-for-sale :									
Marketable Equity securities	1,692	1,541	-150	1,692	1,629	-63	1,692	1,874	181
Government bonds	-	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total	1,692	1,541	-150	1,692	1,629	-63	1,692	1,874	181

2. Investment securities without market values:

(Millions of Yen)

	As of		
	<u>Mar.31, 2007</u>	<u>Dec.31, 2006</u>	<u>Mar.31, 2006</u>
	Non-marketable stock of subsidiaries	11,678	11,287
Total	11,678	11,287	11,104
Non-marketable equity securities	1,099	902	802
Others	256	265	279
Total	1,355	1,168	1,081

3. Derivatives

Significant hedge accounting methods

(1) Hedge accounting methods

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

(2) Hedging methods, items covered by hedging and hedging strategy

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

Notes Relating to Income Taxes

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

	Millions of Yen		
	As of		
	<u>Mar. 31,</u>	<u>Dec. 31,</u>	<u>Mar. 31,</u>
	<u>2007</u>	<u>2006</u>	<u>2006</u>
(1) Current deferred tax assets and liabilities			
Deferred tax assets			
Inventories - intercompany unrealized profits	2,647	2,441	1,692
Accrued bonuses to employees	1,655	851	1,601
Accrued enterprise taxes	922	435	727
Inventories - loss on write-down	78	—	253
Maintenance of environment	—	3	1,474
Other	1,763	1,048	1,657
Total amount of deferred tax assets - current	<u>7,067</u>	<u>4,781</u>	<u>7,407</u>
(2) Non-current deferred tax assets and liabilities			
Deferred tax assets			
Excess amount of inclusion in deductible expenses for depreciation	1,576	1,614	1,962
Loss on impairment not deductible	622	621	1,376
Loss on disposal of fixed assets not deductible	518	518	—
Excess amount of inclusion in deductible expenses for allowance for doubtful receivables	110	111	105
Other	600	732	258
Total amount of deferred tax assets - fixed	<u>3,429</u>	<u>3,598</u>	<u>3,702</u>
Deferred tax liabilities			
Reserve for deferred income taxes on fixed assets	-307	-315	-406
Special depreciation reserve	-232	-220	-298
Net unrealized gain on available-for-sale securities	—	—	-74
Other	-165	-165	-165
Total amount of deferred tax liabilities - fixed	<u>-705</u>	<u>-702</u>	<u>-945</u>
Net amount of deferred tax assets - fixed	<u>2,723</u>	<u>2,896</u>	<u>2,757</u>

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

	Three months ended		
	<u>Mar. 31, 2007</u>	<u>Mar. 31, 2006</u>	<u>Dec. 31, 2006</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	-16.0	-21.0	-18.1
Expenses not permanently deductible for income tax purposes	0.2	0.7	0.4
Per capita portion	0.1	0.1	0.1
Equity in earnings of affiliates	-1.0	1.2	-1.4
Tax credit on experiment and research expenses	-2.0	-0.6	-0.4
Other adjustment - net	1.5	0.8	-0.7
Effective income tax rate	<u>23.2</u>	<u>21.6</u>	<u>20.3</u>

Notes Relating to Employees' Retirement Benefits

1. Systems of employees' retirement benefits the Company adopts

The Company had systems to support lump sum severance pay and an employees' pension fund (Kosei Nenkin Kikin). During the third quarter of the fiscal year ended in March 2003, the system of lump sum severance pay was abolished. The employees' pension fund was dissolved with approval for its dissolution sanctioned by the Minister of Health, Labor and Welfare on January 29, 2003 and this has been in the process of completion. On May 26, 2004, the Company obtained approval from the Minister of Health, Labor and Welfare for the completion of the liquidation thereof.

2. Details of liabilities for employees' retirement benefits

(1) Breakdown of liabilities for employees' retirement benefits	Millions of Yen		
	Three months ended		
None	Mar.31,	Dec.31,	
(2) Breakdown of expenses for employees' retirement benefits	<u>2007</u>	<u>2006</u>	<u>2006</u>
Additional retirement benefits paid to employees	837	162	119
Expenses for employees' retirement benefits	<u>837</u>	<u>162</u>	<u>119</u>
(3) Calculation basis of liabilities for employees' retirement benefits			
None			

Notes Relating to Impairment of Fixed Assets

1. Crystal Division

(1) Tokyo Studio, etc. in the Crystal Division

Location	Akishima-shi, Tokyo, etc.
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.

(2) Breakdown of impairment	Millions of Yen		
	Three months ended		
	Mar.31,	Dec.31,	
	<u>2007</u>	<u>2006</u>	<u>2006</u>
Machinery, etc.	1	417	4
Total	<u>1</u>	<u>417</u>	<u>4</u>

2. Headquarters

(1) Leased assets of head office

Location	Machida-shi, Tokyo
Use	Leasing
Asset Class	Land

The book value of the leased assets located in Machida City, Tokyo was reduced to the amount of potential recovery because of a decline in market price. The amount of reduction is recorded under extraordinary losses as asset impairment losses.

(2) Breakdown of impairment	Millions of Yen		
	Three months ended		
	Mar.31,	Dec.31,	
	<u>2007</u>	<u>2006</u>	<u>2006</u>
Land	—	368	—
Total	<u>—</u>	<u>368</u>	<u>—</u>

Per Share Information

	<u>Three months ended</u>		
	<u>Mar.31,</u>		<u>Dec.31,</u>
	<u>2007</u>	<u>2006</u>	<u>2006</u>
Net asset per share (Yen)	845.98	648.87	791.55
Basic net income per share (Yen)	44.11	38.21	46.32
Diluted net income per share (Yen)	43.97	38.03	46.14
The basement of the calculation of per share information as follows			
	<u>Three months ended</u>		
	<u>Mar.31,</u>		<u>Dec.31,</u>
	<u>2007</u>	<u>2006</u>	<u>2006</u>
<u>Net asset per share (Yen)</u>			
Net assets (Millions of Yen)	367,145	279,480	343,290
(Minority interest) (Millions of Yen)	1,876	—	1,836
(Advances on subscription to treasury stock) (Millions of Yen)	1	—	45
(New share subscription rights) (Millions of Yen)	167	—	66
(Bonus to directors) (Millions of Yen)	—	65	—
Net assets on common stock (Millions of Yen)	365,100	279,415	341,342
excluding			
treasury stocks (unit:shares)	431,569,339	430,615,413	431,232,723
<u>Basic net income per share</u>			
Net income (Millions of Yen)	19,028	16,514	19,963
(bonus to directors) (Millions of Yen)	—	65	—
Net income on common stock (Millions of Yen)	19,028	16,449	19,963
Average number of common stocks (unit:shares)	431,413,106	430,459,908	431,037,606
<u>Diluted net income per share (Yen)</u>			
Net income (Millions of Yen)	19,028	16,514	19,963
(bonus to directors) (Millions of Yen)	—	65	—
Net income on common stock (Millions of Yen)	19,028	16,449	19,963
Number of common stocks increased (unit:shares)	1,313,160	1,996,348	1,614,152
Average number of common stocks (unit:shares)	432,726,266	432,456,256	432,651,758

Material facts occurring after the closing of accounts"Regarding Management Integration between HOYA and PENTAX"

HOYA and PENTAX have been carrying out discussions on the merger of the two companies to achieve management integration based on the Basic Understanding for Management Integration signed and released on December 21, 2006. However, HOYA found it difficult to achieve integration through a way of share swap merger.

In order to overcome the above circumstances, HOYA proposed to PENTAX on April 7, 2007, to begin the discussion between the two companies on a takeover offer from HOYA in place of share swap, according to the basic agreement.

At this moment the discussion, including the possibilities of TOB, is continuing. The final target of the integration is increasing corporate value and HOYA is striving to find the best way to achieve this aim.

(7) Segment Information (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries

1. Industry Segments

Fourth quarter : for the three months ended March 31, 2007

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Others	Total			
Net sales:									
To outside customers	53,410	2,221	33,091	10,498	246	99,467	—	99,467	
Intersegment	103	58	2	0	698	862	-862	—	
Total	53,512	2,280	33,094	10,498	945	100,329	-862	99,467	
Operating expenses	36,079	2,230	27,351	7,913	989	74,563	273	74,837	
Operating income	17,434	49	5,743	2,585	-45	25,766	-1,135	24,631	
Operating margin	32.6%	2.1%	17.4%	24.6%	-4.8%	25.7%	—	24.8%	
Assets	258,746	7,760	118,228	24,410	2,518	411,664	35,979	447,644	
Depreciation	7,992	35	2,313	343	11	10,696	48	10,744	
Loss on impairment	—	—	—	—	1	1	—	1	
Capital Expenditures	11,595	35	2,423	477	0	14,533	14	14,547	
R&D Expenses	2,844	334	506	411	37	4,133	—	4,133	
Number of employees (p)	19,570	199	7,506	910	198	28,383	67	28,450	

Fourth quarter : for the three months ended March 31, 2006

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Others	Total			
Net sales:									
To outside customers	50,357	2,524	27,844	8,946	530	90,204	—	90,204	
Intersegment	67	47	-1	0	951	1,062	-1,062	—	
Total	50,425	2,571	27,843	8,947	1,481	91,266	-1,062	90,204	
Operating expenses	31,879	2,329	22,647	8,266	1,511	66,630	-470	66,161	
Operating income	18,546	241	5,197	681	-29	24,636	-593	24,043	
Operating margin	36.8%	9.4%	18.7%	7.6%	-2.0%	27.0%	—	26.7%	
Assets	204,191	7,605	98,243	19,927	4,824	334,792	26,745	361,537	
Depreciation	5,679	33	1,805	253	13	7,786	35	7,821	
Loss on impairment	—	—	—	—	417	417	368	785	
Capital Expenditures	8,364	68	2,015	957	477	11,884	35	11,919	
R&D Expenses	1,874	902	696	852	18	4,344	—	4,344	
Number of employees (p)	17,133	191	6,794	733	271	25,122	54	25,176	

Ref : Differences between the three months of this year and the same period last year

	Millions of Yen							Elimi. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Others	Total			
Net sales:									
To outside customers	3,053	-303	5,247	1,552	-284	9,263	-	9,263	
Variance	6.1%	-12.0%	18.8%	17.3%	-53.6%	10.3%	-	10.3%	
Intersegment	36	11	3	0	-253	-200	200	-	
Total	3,087	-291	5,251	1,551	-536	9,063	200	9,263	
Operating expenses	4,200	-99	4,704	-353	-522	7,933	743	8,676	
Operating income	-1,112	-192	546	1,904	-16	1,130	-542	588	
Variance	-6.0%	-79.7%	10.5%	279.6%	55.2%	4.6%	-	2.4%	
Assets	54,555	155	19,985	4,483	-2,306	76,872	9,234	86,107	
Depreciation	2,313	2	508	90	-2	2,910	13	2,923	
Loss on impairment	-	-	-	-	-416	-416	-368	-784	
Capital Expenditures	3,231	-33	408	-480	-477	2,649	-21	2,628	
R&D Expenses	970	-568	-190	-441	19	-211	-	-211	
Number of employees (p)	2,437	8	712	177	-73	3,261	13	3,274	

*Elimi. or corp. : Eliminations or corporate

Notes:

1. Products and Services of each Business Division:

- (1) From this fiscal year, the company has changed its segmentation of industry as follows, because the necessity of classified disclosure for both Crystal and Service has decreased due to the decline of sales and profits by the Company's re-organization :

Business Category	Division	Products and Services
Information Technologies	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.

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

Business Category	Division	Products and Services
Information Technologies	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, ophthalmic equipments, etc.
	Health Care	Contact lenses and accessories, intraocular lenses, etc.
Others	Crystal	Crystal glass products
	Service	Design of information systems, placement of temporary staff, etc.

- (3) The business results for the three months ended Mar. 31, 2006 according to the former business segment are as follows:

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro-Optics	Photo-nics	Vision Care	Health Care	Crystal	Service	Total		
Net sales:									
To outside customers	50,357	2,524	27,844	8,946	181	349	90,204	—	90,204
Intersegment	67	47	-1	0	6	945	1,062	-1,062	—
Total	50,425	2,571	27,843	8,947	187	1,294	91,266	-1,062	90,204
Operating expenses	31,879	2,329	22,647	8,266	357	1,154	66,630	-470	66,161
Operating income	18,546	241	5,197	681	-169	140	24,636	-593	24,043
Operating margin	36.8%	9.4%	18.7%	7.6%	-90.4%	10.8%	27.0%	—	26.7%
Assets	204,191	7,605	98,243	19,927	840	3,984	334,792	26,745	361,537
Depreciation	5,679	33	1,805	253	—	13	7,786	35	7,821
Loss on impairment	—	—	—	—	417	—	417	368	785
Capital Expenditures	8,364	68	2,015	957	340	137	11,884	35	11,919
R&D Expenses	1,874	902	696	852	18	—	4,344	—	4,344
Number of employees (p)	17,133	191	6,794	733	86	185	25,122	54	25,176

2. 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 Mar. 31, 2007 and 2006 are as follows:

<u>2007</u>	909 Million Yen
<u>2006</u>	986 Million Yen

3. 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 Mar. 31, 2007 and 2006 are as follows:

<u>2007</u>	61,381 Million Yen
<u>2006</u>	35,135 Million Yen

2. Geographical Segments

Fourth quarter : for the three months ended March 31, 2007

	Millions of Yen						Consolidated
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	
Net sales:							
To outside customers	66,868	10,062	15,199	7,337	99,467	—	99,467
Intersegment	6,449	85	138	39,332	46,005	-46,005	—
Total	73,317	10,147	15,338	46,670	145,471	-46,005	99,467
Operating expenses	63,082	10,171	12,762	35,136	121,150	-46,314	74,837
Operating income	10,236	-24	2,576	11,533	24,320	310	24,631
Operating margin	14.0%	-0.2%	16.8%	24.7%	16.7%	—	24.8%
Assets	193,390	13,507	107,564	207,158	521,619	-73,975	447,644

Fourth quarter : for the three months ended March 31, 2006

	Millions of Yen						Consolidated
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	
Net sales:							
To outside customers	61,365	9,590	10,725	8,524	90,204	—	90,204
Intersegment	6,149	31	264	32,123	38,566	-38,566	—
Total	67,514	9,621	10,988	40,647	128,770	-38,566	90,204
Operating expenses	60,256	9,743	9,102	28,269	107,370	-41,209	66,161
Operating income	7,258	-122	1,886	12,378	21,400	2,643	24,043
Operating margin	10.8%	-1.3%	17.2%	30.5%	16.6%	—	26.7%
Assets	163,840	22,377	63,345	149,298	398,861	-37,323	361,537

Ref : Differences between the three months of this year and the same period last year

	Millions of Yen						Consolidated
	Japan	North America	Europe	Asia	Total	Elimi. or corp.	
Net sales:							
To outside customers	5,503	472	4,474	-1,187	9,263	-	9,263
Variance	9.0%	4.9%	41.7%	-13.9%	10.3%	-	10.3%
Intersegment	300	54	-126	7,209	7,439	-7,439	-
Total	5,803	526	4,350	6,023	16,701	-7,439	9,263
Operating expenses	2,826	428	3,660	6,867	13,780	-5,105	8,676
Operating income	2,978	98	690	-845	2,920	-2,333	588
Variance	41.0%	-80.3%	36.6%	-6.8%	13.6%	-	2.4%
Assets	29,550	-8,870	44,219	57,860	122,758	-36,652	86,107

*Elimi. or corp. : Eliminations or corporate

Notes:

- The Company and subsidiaries are summarized in four segments by geographic area based on the countries where the *Group offices* are located. The segments consisted of the following countries:

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, which are not allocated to each industry segment. Corporate operating expenses for the three months ended Mar. 31, 2007 and 2006 are as follows:

<u>2007</u>	814 Million Yen	<u>2006</u>	674 Million Yen
-------------	-----------------	-------------	-----------------

- Corporate assets included in "Eliminations or Corporate" mainly consist of cash, time deposits, investments securities and administrative assets of the Company. Corporate assets as of Mar. 31, 2007 and 2006 are as follows:

<u>2007</u>	59,046 Million Yen	<u>2006</u>	33,958 Million Yen
-------------	--------------------	-------------	--------------------

3. Sales to Foreign Customers

Fourth quarter : for the three months ended March 31, 2007

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	11,452	15,758	27,057	1	54,268
Total Consolidated Net Sales (B)					99,467
Overseas Sales ratio A/B	11.5%	15.9%	27.2%	0.0%	54.6%
Regional Sales ratio	21.1%	29.0%	49.9%	0.0%	100.0%

Fourth quarter : for the three months ended March 31, 2006

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	12,386	11,194	23,665	851	48,096
Total Consolidated Net Sales (B)					90,204
Overseas Sales ratio A/B	13.7%	12.4%	26.2%	1.0%	53.3%
Regional Sales ratio	25.7%	23.3%	49.2%	1.8%	100.0%

Ref : Differences between the three months of this year and the same period last year

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	-934	4,564	3,392	-850	6,172
Total Consolidated Net Sales (B)					9,263
Variance of Overseas Sales	-7.5%	40.8%	14.3%	-	12.8%

Note: The Company and subsidiaries are summarized in four segments by geographic area based on the countries where the *Customers* are located. The segments consisted of the following countries:

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

(8) Composition of Net Sales by Business Category (Quarterly)

HOYA CORPORATION and Consolidated Subsidiaries

Business Category Company	Three months ended		Variance		Three months ended Dec.31, 2006
	Mar.31,2007	Mar.31,2006	Value	%	
Millions of Yen [%]					
Electro-Optics					
Domestic	24,805 (46.4)	22,982 (45.6)	1,823	7.9	24,410 (43.2)
Overseas	28,604 (53.6)	27,375 (54.4)	1,229	4.5	32,059 (56.8)
total	53,410 [53.7]	50,357 [55.8]	3,053	6.1	56,469 [57.1]
Photonics					
Domestic	1,333 (60.0)	1,376 (54.5)	-43	-3.1	1,050 (46.7)
Overseas	888 (40.0)	1,148 (45.5)	-260	-22.6	1,196 (53.3)
total	2,221 [2.2]	2,524 [2.8]	-303	-12.0	2,246 [2.3]
Information Technology					
Domestic	26,139 (47.0)	24,358 (46.1)	1,781	7.3	25,460 (43.4)
Overseas	29,492 (53.0)	28,524 (53.9)	968	3.4	33,255 (56.6)
total	55,631 [55.9]	52,882 [58.6]	2,749	5.2	58,716 [59.4]
Vision Care					
Domestic	8,807 (26.6)	8,705 (31.3)	102	1.2	8,577 (28.8)
Overseas	24,284 (73.4)	19,139 (68.7)	5,145	26.9	21,229 (71.2)
total	33,091 [33.3]	27,844 [30.9]	5,247	18.8	29,806 [30.1]
Health Care					
Domestic	10,010 (95.4)	8,571 (95.8)	1,439	16.8	9,835 (96.5)
Overseas	487 (4.6)	375 (4.2)	112	29.9	360 (3.5)
total	10,498 [10.6]	8,946 [9.9]	1,552	17.3	10,195 [10.3]
Eye Care					
Domestic	18,818 (43.2)	17,276 (47.0)	1,542	8.9	18,412 (46.0)
Overseas	24,772 (56.8)	19,515 (53.0)	5,257	26.9	21,589 (54.0)
total	43,590 [43.9]	36,791 [40.8]	6,799	18.5	40,001 [40.4]
Others					
Domestic	242 (98.4)	473 (89.1)	-231	-48.8	205 (96.7)
Overseas	4 (1.6)	57 (10.9)	-53	-93.0	7 (3.3)
total	246 [0.2]	531 [0.6]	-285	-53.7	212 [0.2]
Total Net Sales					
Domestic	45,199 (45.4)	42,108 (46.7)	3,091	7.3	44,078 (44.6)
Overseas	54,268 (54.6)	48,096 (53.3)	6,172	12.8	54,851 (55.4)
Total	99,467 [100.0]	90,204 [100.0]	9,263	10.3	98,929 [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.