

Quarterly Report for the Three Months ended Sep.,30, 2001

## Part 2. Second Quarter for the three months ended September 30, 2001

### 1. Financial Highlights for the quarter (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries

Performance for the three months ended September 30, 2001 and 2000

( Figures less than a million yen are omitted.)

(1)Results of Operations	Millions of Yen			Year ended March 31, 2001
	Three months ended September 30, 2001	2000	change(%)	
Net sales	¥58,037	¥59,372	( -2.2 )	¥236,802
Operating income	11,234	11,987	( -6.3 )	45,127
Ordinary income	10,573	12,967	( -18.5 )	48,184
Net income	6,192	7,458	( -17.0 )	21,860
Net income per share(Yen)	¥53.32	¥64.22		¥188.25
Net income / shareholders' equity	3.1%	3.8%		12.4%
Ordinary income / total assets	4.0%	4.9%		19.4%
Ordinary income / net sales	18.2%	21.9%		20.3%

Notes : No changes have been made in accounting policy.

(2)Financial Position	Millions of Yen		
	As of Sep. 30, 2001	As of Jun. 30, 2001	As of Mar. 31, 2001
Total assets	¥268,316	¥263,751	¥267,610
Shareholders' equity	204,363	198,590	¥195,333
Shareholders' equity ratio	76.2%	75.3%	73.0%
Shareholders' equity per share (Yen)	¥1,759.87	¥1,710.15	¥1,682.10

(3)Conditions of Cash Flows	Millions of Yen	
	Three months ended September 30, 2001	2000
Net cash provided by operating activities	¥13,114	¥15,674
Net cash used in investing activities	-5,925	-5,775
Net cash provided (used in) financing activities	-2,164	6,897
Cash and cash equivalents, end of period	¥51,125	¥49,722

Note: Hoya Corporation discloses financial reports quarterly on consolidated basis.

The forecast for the fiscal year will be released on consolidated basis when the business results for the third quarter are disclosed.

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) General Overview

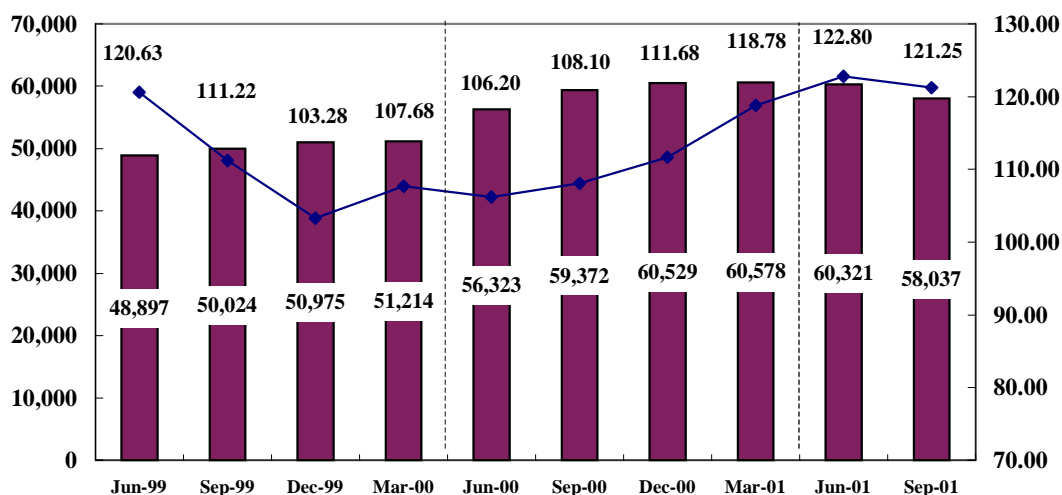
<u>Results of Operations</u>	<u>Millions of Yen</u> <u>Three months ended Sep. 30, 2001</u>
Net sales	¥58,037
Operating income	11,234
Ordinary income	10,573
Net income	¥6,192
Net income per share(Yen)	¥53.32

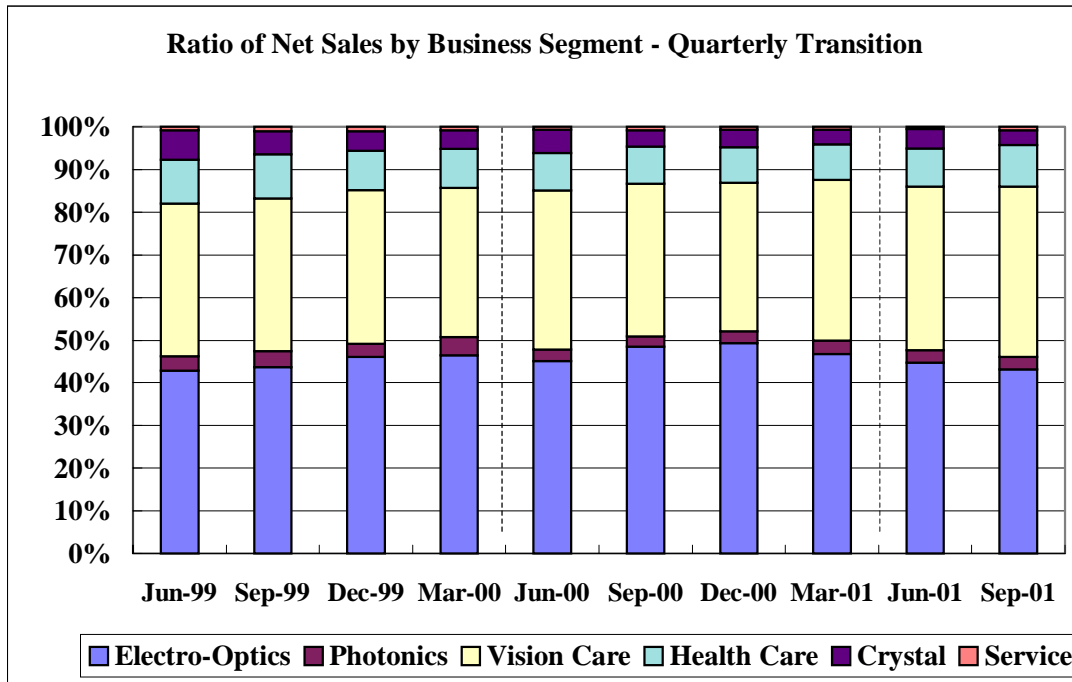
In the quarter under review, the IT-led recession intensified further, corporate results centered on those industrial sectors related to semiconductors and electronic components were sluggish, no turning point for the long-awaited economic recovery could be foreseen, and forecasted results were being revised one after another. Following the September terrorist attacks in the United States, the Nikkei 225 Index fell below the 10,000-yen level, and already depressed consumer sentiment spread further.

In the currency market, against the yen the US dollar appreciated by 12.2%, the euro by 12.5%, and the Thai baht by 4.6%, respectively during the second quarter.

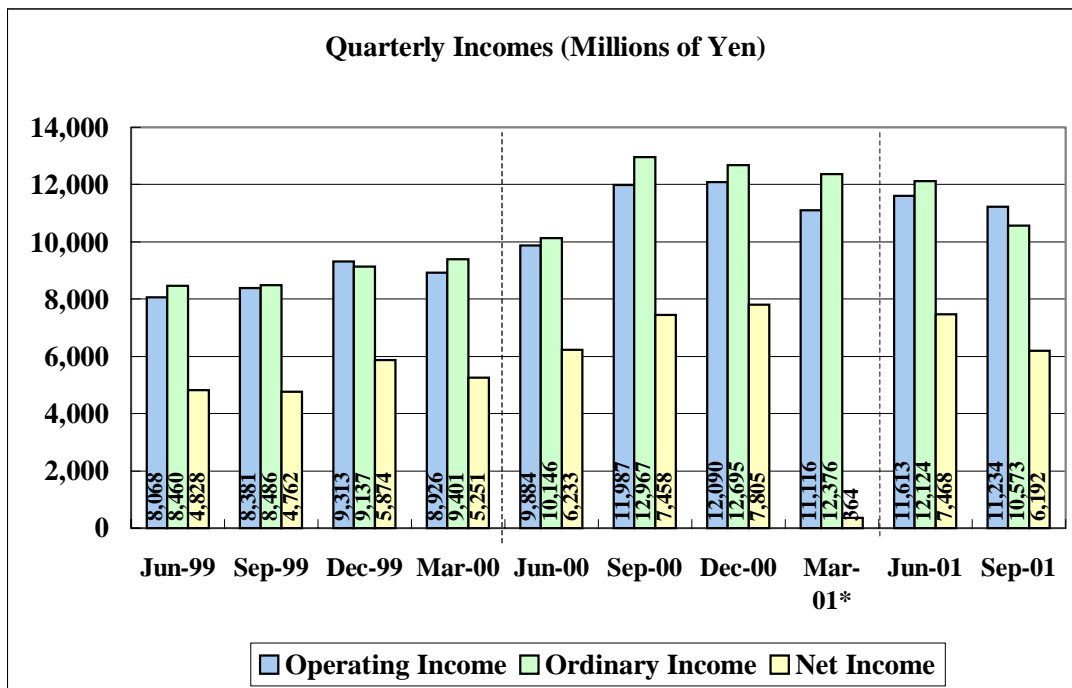
Against this business environment, sales of the Electro-Optics Company in the HOYA Group decreased as sales of semiconductor-related products were adversely affected by the sluggish markets. However, sales of the Vision Care Company increased both in Japan and abroad, including those of the overseas companies which had been acquired in the previous fiscal year. As a result, consolidated sales in this quarter decreased 2.2% on a year-on-year basis to Yen 58,037 million.

Quarterly Net Sales (Millions of Yen) and Average Exchange Rate (Yen/US\$)





In the 2nd quarter, sales in the business area of information and telecommunications technologies decreased due to the recession, while in the eye-care market, the Company promoted sales of highly value-added products and improved the profitability of the acquired companies. The results, however, showed that operating income, ordinary income and net quarterly income decreased 6.3%, 18.5% and 17.0% on a year-on-year basis respectively. EPS was Yen 53.32.



\* : In the quarter ended March 31, 2001, the Company amortized goodwill for Yen 14,347 million and appropriated it into extra-ordinary loss.

## (2) Segment Overview

### 1. Information Technology

#### Electro-Optics

Sales of mask blanks for manufacturing semiconductors decreased as a whole as the semiconductor-related recession intensified.

Sales of photomasks for manufacturing semiconductors decreased on a year-on-year basis affected substantially by the sluggish market in semiconductors. However, the magnitude of the decrease was not as much as that of semiconductors due to the demand for masks to cope with the ongoing development and micronization of semiconductors.

In terms of photomasks for LCDs, sales of masks for TFT an area in which HOYA has a large market share increased on a year-on-year basis on the back of an increase in newly introduced and developed products.

In terms of glass disks for HDDs (Hard Disk Drives), sales of glass substrates (“Substrate”) increased on a year-on-year basis. Sales of coated products (“Media”), on the other hand, decreased substantially due to production adjustments made by HDD manufacturers to cope with falling demand for notebook personal computers as well as a decline in unit price.

Sales of aspheric molded lenses decreased on a year-on-year basis, orders for optical glass materials were sluggish due to the prolonged inventory adjustment, and sales of optical products as a whole decreased.

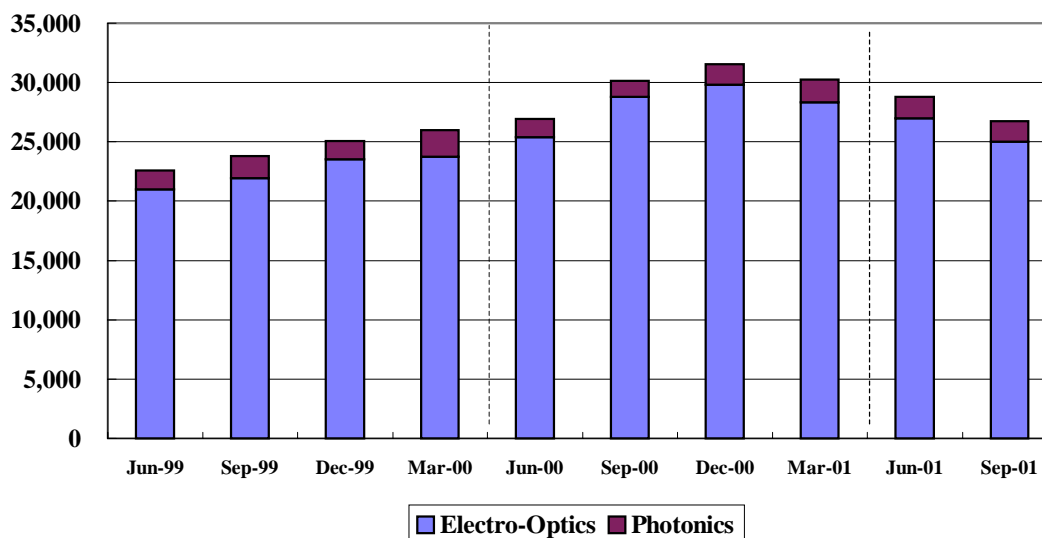
Sales of optical-communication-related products decreased substantially on a year-on-year basis as the markets shrank rapidly due to the recession.

#### Photonics

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

Sales of laser-related equipment (Photonics) increased as the sales of industrial use equipment for the LCD industry increased.

Quarterly Net Sales of Electro-Optics (Millions of Yen)



## 2. Eye Care

### Vision Care

In the domestic market for eyeglass lenses, the periodical cycle of consumer repurchasing was extended due to the sluggish economy and unit prices fell due to the arrival of increasing number of discount shops. Against this tough business backdrop, the Company secured the same level of sales as those of the same quarter in the previous fiscal year by further promoting high value-addition of such products as progressive lenses and through sales promotions for new products.

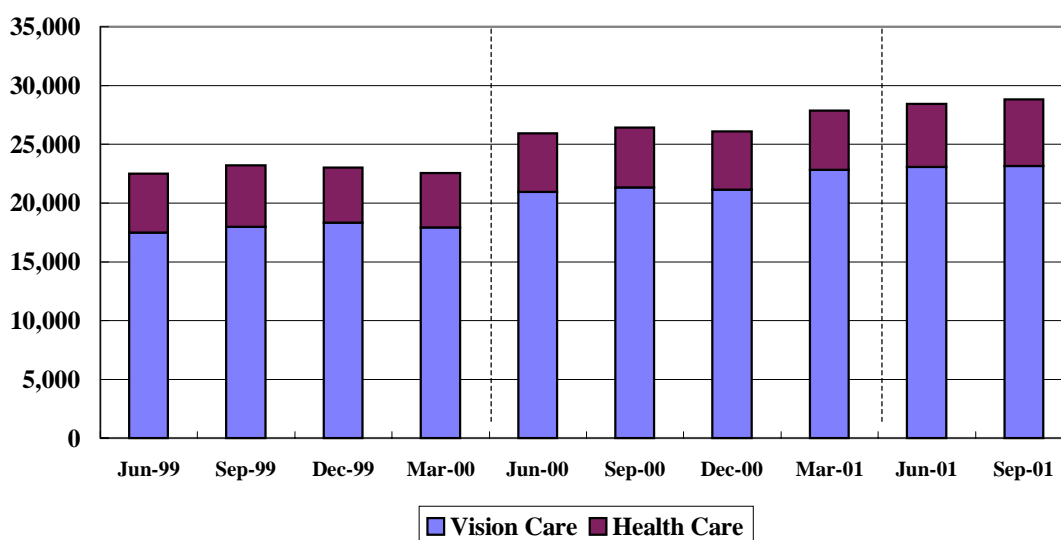
Overseas, sales in each country in Asia increased favorably thanks to elevated value-addition; sales in Europe also increased reflecting a shift from products with low profitability to those with higher value-added. In the United States, too, sales increased as customized business at those laboratories of the North American Branch (former "Hoya Optical Laboratories, Inc.) of the HOYA Corporation grew steadily. The growth in sales was also helped by a weak yen against the US dollar and euro on a year-on-year basis.

### Health Care

Sales of contact lenses increased on a year-on-year basis thanks to the reinforced sales promotion of highly value-added products including astigmatic and bifocal lenses and of products backed by our "E-System" of lens compensation services as well as to the effects of the Scrapping & Building of retail outlets.

Sales of hearing aids increased on a year-on-year basis thanks to sales promotions and advertising focused on important areas and to a sales promotion centered on high-performance models including hearing aids with digital functions. Sales of intraocular lenses decreased on a year-on-year basis due to shift from soft lenses from hard lenses.

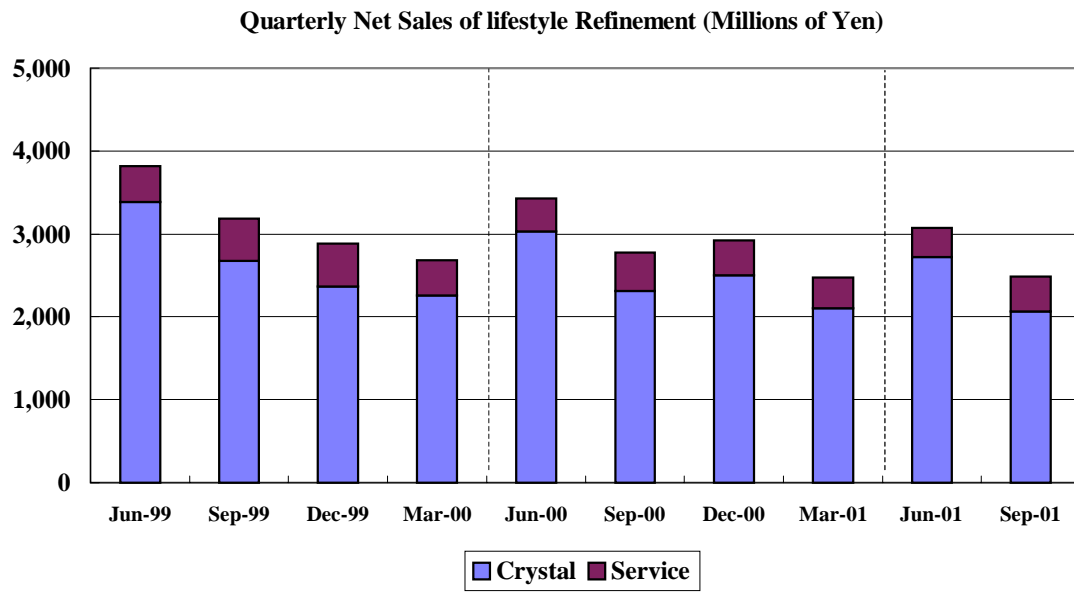
Quarterly Net Sales of Eye Care (Millions of Yen)



### 3. Lifestyle Refinement

#### Crystal

Sales of crystal decreased on a year-on-year basis amid the ongoing slump in personal consumption.



## 2. Consolidated Financial Statements (unaudited)

### (1) Consolidated Balance Sheets

HOYA CORPORATION and Consolidated Subsidiaries

Millions of Yen

	Sep.30,2001	Jun.30,2001	Variance	Mar.31,2001
<b>ASSETS</b>				
Current assets	¥156,747	¥150,946	¥5,801	¥154,763
Cash and deposits	51,125	45,987	5,138	44,697
Notes and accounts receivable - trades	59,344	58,317	1,027	55,143
Marketable securities	-	-	-	7,000
Inventories	35,817	36,490	-673	36,506
Deferred taxes	3,712	3,035	677	4,499
Other current assets	7,713	8,100	-387	7,975
Allowance for doubtful receivables	-967	-984	17	-1,059
Fixed assets	111,062	112,338	-1,276	112,361
Tangible fixed assets	84,863	85,363	-500	84,479
Buildings and structures	25,191	25,215	-24	25,604
Machinery and vehicles	37,235	37,939	-704	38,041
Lands	9,238	8,996	242	9,032
Other tangible fixed assets	13,197	13,211	-14	11,800
Intangible fixed assets	4,012	4,314	-302	4,413
Investments and other assets	22,186	22,660	-474	23,468
Investment securities	9,412	9,704	-292	9,741
Long-term deferred taxes	7,778	7,949	-171	8,654
Other investments and other assets	6,674	6,603	71	8,429
Allowance for doubtful receivables	-1,679	-1,596	-83	-3,357
Deferred charges	506	467	39	485
<b>Total Assets</b>	<b>268,316</b>	<b>263,751</b>	<b>4,565</b>	<b>267,610</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Current liabilities	53,633	54,762	-1,129	61,640
Notes and accounts payable - trades	21,615	23,140	-1,525	23,610
Short-term loan payable	3,176	4,709	-1,533	4,630
Income tax payable	6,353	3,426	2,927	9,679
Accrued bonus	4,160	2,156	2,004	4,022
Other current liabilities	18,326	21,329	-3,003	19,697
Long-term liabilities	9,672	9,809	-137	10,003
Long-term loan payable	406	385	21	424
Employees retirement benefits	8,091	8,291	-200	8,360
Directors retirement benefits	201	183	18	343
Other long-term liabilities	972	949	23	875
<b>Total Liabilities</b>	<b>63,306</b>	<b>64,572</b>	<b>-1,266</b>	<b>71,643</b>
Minority interest	646	588	58	633
Common stock	6,264	6,264	0	6,264
Additional paid-in capital	15,898	15,898	0	15,898
Retained earnings	194,550	188,153	6,397	184,361
Evaluation difference of investments securitis	-631	-428	-203	-515
Foreign currency statement translation adjustments	-11,716	-11,295	-421	-10,675
Treasury stock, at cost	0	-1	1	0
<b>Total Shareholders' Equity</b>	<b>204,363</b>	<b>198,590</b>	<b>5,773</b>	<b>195,333</b>
<b>Total</b>	<b>¥268,316</b>	<b>¥263,751</b>	<b>¥4,565</b>	<b>¥267,610</b>
notes:	Millions of Yen			
Accumulated depreciation	¥133,773	¥130,703		¥128,850
Sales of trade notes receivable for trust	-	3,096		10,356
Guarantees of borrowings and lease obligations for customers	¥300	¥329		¥332
Number of shares of treasury stock	141	146		30

## (2) Consolidated Statements of Income

HOYA CORPORATION and Consolidated Subsidiaries

Millions of Yen

	Three months ended Sep. 30,		Variance	
	2001	2000	Value	(%)
Net sales	¥58,037	¥59,372	¥-1,335	-2.2
Cost of sales	33,246	33,623	-377	-1.1
Gross profit	24,791	25,750	-959	-3.7
Selling, general and administrative expenses	13,557	13,763	-206	-1.5
<b>Operating income</b>	<b>11,234</b>	<b>11,987</b>	<b>-753</b>	<b>-6.3</b>
Non-operating income	573	1,581	-1,008	-63.8
Interest income	130	125	5	
Foreign exchange gains	-	60	-60	
Equity in earnings of associated companies	-	674	-674	
Others	443	722	-279	
Non-operating expenses	1,234	601	633	105.3
Interest expense	161	169	-8	
Foreign exchange losses	210	-	210	
Equity in losses of associated companies	16	-	16	
Others	847	432	415	
<b>Ordinary income</b>	<b>10,573</b>	<b>12,967</b>	<b>-2,394</b>	<b>-18.5</b>
Extra-ordinary income	45	14	31	221.4
Gain on sales of property, plant and equipment	45	14	31	
Extra-ordinary losses	456	865	-409	-47.3
Loss on disposal of property, plant and equipment	57	481	-424	
Others	399	384	15	
<b>Income before income taxes and other items</b>	<b>10,161</b>	<b>12,117</b>	<b>-1,956</b>	<b>-16.1</b>
Income taxes - Current	4,184	5,478	-1,294	-23.6
Income taxes - Deferred	-289	-841	552	-
Minority interests in net income	75	21	54	257.1
<b>Net income</b>	<b>6,192</b>	<b>¥7,458</b>	<b>¥-1,266</b>	<b>-17.0</b>
Net income per share(Yen)	¥53.32	¥64.22	¥-10.90	

Notes:

1. Influences of Exchange Currency ("2001 A" is the actual value of this period. "2001 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)

	2001 A	2001 B	influences
Net sales	¥58,037	¥56,671	¥1,366
Operating income	11,234	11,064	170
Ordinary income	10,573	10,417	156
Net income	¥6,192	¥6,129	¥63

2. Average rates of major foreign currencies	Three months ended Sep. 30,		
	2001	2000	Variance(%)
US\$	¥121.25	¥108.10	-12.2%
Euro	¥109.33	¥97.20	-12.5%
Thail Baht	¥2.71	¥2.59	-4.6%

### (3) Consolidated Statements of Retained Earnings

HOYA CORPORATION and Consolidated Subsidiaries	Millions of Yen		
	<u>Three months ended Sep. 30,</u>		
<u>Items</u>	<u>2001</u>	<u>2000</u>	<u>Variance</u>
Balance at the beginning of the period	¥188,153	¥171,877	¥16,276
Adjustment of retained earnings	205	-	205
Transfer of retained earnings of the merged non-consolidated subsidiary	205	-	205
Net income	6,192	7,458	-1,266
Balance at the end of the period	¥194,550	¥179,334	¥15,216

## (4) Statements of Cash Flows (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries (Figures less than a million yen are omitted.)

	Millions of Yen		
	<u>Three months ended Sep.30,</u>		
	2001	2000	Variance
<b>OPERATING ACTIVITIES:</b>			
Net Income	¥6,192	¥7,458	¥-1,266
Adjustments for:			
Depreciation and amortization	4,718	4,239	479
Reversal of accrued retirement benefits	-179	443	-622
Provision for (Reversal of) reserve for periodic repairs	48	-50	98
Equity in loss earnings of associated companies	16	-673	689
Minority interest in net income	75	21	54
Foreign exchange loss	72	22	50
Bonus to directors	-	7	-7
Gain on reversal of prior devaluation losses on non-current marketable securities	68	313	-245
Gain on sales of property, plant and equipment and investment securities	-45	-14	-31
Loss on disposal of property, plant and equipment and investment securities	57	480	-423
Other	220	-	220
<i>Changes in assets and liabilities:</i>			
Increase in notes and accounts receivable	-916	-1,443	527
Increase in inventories	666	-352	1,018
Increase in other current assets	-55	-1,859	1,804
Decrease in notes and accounts payable	-1,435	1,357	-2,792
Increase (Decrease) in income taxes payable	2,728	4,010	-1,282
Increase (Decrease) in other current liabilities	882	1,712	-830
Total adjustment			
Net cash provided by operating activities	13,114	15,966	-2,852
<b>INVESTING ACTIVITIES:</b>			
Payment for purchases of property, plant and equipment	-5,526	-5,529	3
Proceeds from sales of property, plant and equipment	52	16	36
Payment for purchases of investment securities	-400	-	-400
Proceeds from sales of investment securities	2	2	0
Increase in investments and other assets	-177	-615	438
Decrease in investments and other assets	123	350	-227
Net cash used in investing activities	-5,925	-5,775	-150
<b>FINANCING ACTIVITIES:</b>			
Net decrease in short-term borrowings	-1,465	7,206	-8,671
Proceeds from long-term bank loans	0	3	-3
Repayments of long-term bank loans	-14	-13	-1
Proceeds from sales of treasury stock	3	162	-159
Payments for purchase of treasury stock	-3	-154	151
Dividends paid	-684	-307	-377
Net cash used in financing activities	-2,164	6,897	-9,061
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,024	16,794	-11,770
Effect of Exchange Rate Changes on Cash and Cash Equivalents	-141	-368	227
Cash and cash equivalents of merged non-consolidated subsidiaries, beginning of period	255	-	255
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	45,987	33,293	12,694
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	¥51,125	¥49,722	¥1,403

**Note:**

Since May 2001, the Company stopped the sales of trade notes receivable for trust. As a result, net cash provided by operating activities decreased approx. Yen 3.1 billion for the three months ended Sep., 2001.

## Notes Relating to Tax Effect Accounting

Breakdown of deferred tax assets and deferred tax liabilities by major cause of accrual:

	<u>Millions of Yen</u>		
	<u>As of</u>		
	<u>Sep.30, 2001</u>	<u>Jun.30, 2001</u>	<u>Sep.30, 2000</u>
<b>(1) Current deferred tax assets and liabilities</b>			
Deferred tax assets			
Excess deductible amount of depreciation expenses	¥1,272	¥1,264	-
Excess deductible amount of expenses for accrued bonus	1,129	566	867
Inventories - intercompany unrealized profits	838	929	¥978
Enterprise tax not deductible	528	233	664
Other deferred tax assets	579	625	923
Total amount of deferred tax assets - current	<u>4,348</u>	<u>3,619</u>	<u>3,434</u>
Deferred tax liabilities			
Prepaid pension expenses	-531	-474	-226
Other deferred tax liabilities	-104	-109	-
Total amount of deferred tax liabilities - current	<u>-636</u>	<u>-583</u>	<u>-226</u>
Net amount of deferred tax assets - current	<u>¥3,712</u>	<u>¥3,035</u>	<u>¥3,207</u>
<b>(2) Non-current deferred tax assets and liabilities</b>			
Deferred tax assets			
Excess amount of inclusion in deductible expenses for depreciation	¥3,547	¥3,846	¥552
Excess amount of inclusion in deductible expenses for reserve for employees' retirement benefits	2,542	2,392	2,454
Amount denied of evaluation loss of fixed assets	675	673	644
Excess amount of inclusion in deductible expenses for allowance for doubtful receivables	226	209	655
Other deferred tax assets	2,043	2,100	1,074
Total amount of deferred tax assets - fixed	<u>9,034</u>	<u>9,223</u>	<u>5,380</u>
Deferred tax liabilities			
Reserve for deferred income taxes on fixed assets	-694	-714	-719
Special depreciation reserve	-389	-388	-389
Other deferred tax liabilities	-171	-171	-171
Total amount of deferred tax liabilities - fixed	<u>-1,256</u>	<u>-1,273</u>	<u>-1,280</u>
Net amount of deferred tax assets - fixed	<u>¥7,778</u>	<u>¥7,949</u>	<u>¥4,100</u>

## Notes Relating to Employees' Retirement Benefits

### 1. Systems of employees' retirement benefits the Company adopts

Lump-sum retirement benefit plan and multi-employer pension plan grants and of welfare pension

	<u>Millions of Yen</u>	
	<u>As of</u>	
	<u>Sep.30, 2001</u>	<u>Jun.30, 2001</u>
<b>2. <u>Details of liabilities for employees' retirement benefits</u></b>		
<b>(1) Breakdown of liabilities for employees' retirement benefits</b>		
Liabilities for employees' retirement benefits	¥55,204	¥54,862
Pension assets	<u>-41,545</u>	<u>-40,940</u>
Accrued liabilities for employees' retirement benefits	13,659	13,921
Unappropriated amount of the difference arising from the change in accounting standards	2,850	2,903
Unrecognized prior service cost (decrease in liabilities)	1,777	1,818
Unrecognized actuarial differences (increase in liabilities)	-11,791	-12,046
Prepaid pension expenses	<u>1,595</u>	<u>1,694</u>
Reserve for employees' retirement benefits	<u>¥8,091</u>	<u>¥8,291</u>
	<u>Three months ended Sep. 30</u>	
	<u>2001</u>	<u>2000</u>
<b>(2) Breakdown of expenses for employees' retirement benefits</b>		
Service cost	¥416	¥445
Interest expenses	470	455
Expected return of investments	-549	-646
Difference arising from the change in accounting standards	-53	-53
Prior service cost	-41	-
Actuarial differences	<u>254</u>	<u>-</u>
sub total	498	202
Additional retirement benefits paid to employees	<u>226</u>	<u>-12</u>
Expenses for employees' retirement benefits	<u>¥724</u>	<u>¥190</u>
<b>(3) Calculation basis of liabilities for employees' retirement benefits</b>		
1. Discount rate	3.5%	3.5%
2. Expected rate of return of investments	5.5%	5.5%
3. Method of periodical allocation of the estimated amount of employees' retirement benefits	pro rata division over the period	pro rata division over the period
4. Number of years over which the difference arising from the change in accounting standards is amortized	15 years	15 years
5. Number of years over which the prior service cost is amortized	12 years	12 years
6. Number of years over which the actuarial differences are amortized	12 years	12 years

### 3. Segment Information (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries

#### (1) Operations Different Industries

(Figures less than a million Yen are omitted.)

for the three months ended September 30, 2001

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Crystal	Service	Total		
Net sales:									
To outside customers	¥24,992	¥1,756	¥23,165	¥5,638	¥2,060	¥427	¥58,037	-	¥58,037
Intersegment	¥207	0	8	376	10	697	1,296	(¥1,296)	-
Total	25,198	1,756	23,173	6,014	2,070	1,123	59,334	(1,296)	58,037
Operating expenses	18,081	1,828	19,672	5,128	2,122	1,026	47,857	(1,053)	46,804
Operating income	¥7,118	¥-73	¥3,501	¥886	¥-52	¥97	¥11,478	(¥244)	¥11,234
Operating income ratio	28.2%	-4.2%	15.1%	14.7%	-2.5%	8.6%	19.3%	-	19.4%
Assets	¥110,167	¥4,468	¥86,895	¥14,106	¥9,450	¥3,246	¥228,335	¥39,981	¥268,316
Depreciation	3,025	76	1,318	138	121	8	4,689	29	4,718
Capital Expenditures	¥3,026	¥11	¥1,396	¥192	¥47	¥0	¥4,675	¥0	¥4,675

\*Elimi. or corp. : Elimination or corporate

for the three months ended September 30, 2000

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Crystal	Service	Total		
Net sales:									
To outside customers	¥28,796	¥1,374	¥21,310	¥5,114	¥2,310	¥468	¥59,372	-	¥59,372
Intersegment	149	-	8	368	10	803	1,337	(¥1,337)	-
Total	28,946	1,374	21,318	5,481	2,320	1,272	60,710	(1,337)	59,372
Operating expenses	19,801	1,619	18,401	4,856	2,257	1,246	48,183	(798)	47,386
Operating income	¥9,144	¥-246	¥2,916	¥626	¥63	¥25	¥12,528	(¥540)	¥11,987
Operating income ratio	31.6%	-0.1%	13.7%	11.4%	2.7%	2.0%	20.6%	-	20.2%
Assets	¥104,194	¥4,588	¥86,965	¥13,045	¥10,154	¥5,472	¥224,420	¥39,589	¥264,010
Depreciation	2,521	101	1,413	116	130	15	4,295	31	4,327
Capital Expenditures	¥4,937	¥39	¥1,370	¥155	¥304	¥31	¥6,835	¥18	¥6,853

\*Elimi. or corp. : Eliminations or corporate

Ref:

Differences between the second quarter of this year and the same period last year

	Millions of Yen							Elimin. or corp.*	Consolidated
	Electro- Optics	Photo- nics	Vision Care	Health Care	Crystal	Service	Total		
Net sales:									
To outside customers	¥-3,804	¥382	¥1,855	¥524	¥-250	¥-41	¥-1,335	-	¥-1,335
Variance(%)	-13.2%	27.8%	8.7%	10.2%	-10.8%	-8.8%	-2.2%	-	-2.2%
Intersegment	¥58	-	¥0	¥8	¥0	¥-106	¥-41	¥41	-
Total	-3,748	382	1,855	533	-250	-149	-1,376	41	-1,335
Operating expenses	-1,720	209	1,271	272	-135	-220	-326	(255)	-582
Operating income	¥-2,026	¥173	¥585	¥260	¥-115	¥72	¥-1,050	¥296	¥-753
Variance(%)	-22.2%	-	20.1%	41.5%	-182.5%	288.0%	-8.4%	-	-6.3%
Assets	¥5,973	¥-120	¥-70	¥1,061	¥-704	¥-2,226	¥3,915	¥392	¥4,306
Depreciation	504	-25	-95	22	-9	-7	394	-2	391
Capital Expenditures	¥-1,911	¥-28	¥26	¥37	¥-257	¥-31	¥-2,160	¥-18	¥-2,178

\*Elimi. or corp. : Eliminations or corporate

Note:

1. The Business Categories and Industries over the six months ended September 30, 2000 are as follows:

Business Category	Industries	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 Communication, Optical lenses, optical glasses, electronic glasses, etc.
	Photonics	Lazer equipments for industrial, research & laboratory, and medical purposes, etc.
Eye Care	Vision Care	Eyeglass lenses, eyeglass frames, ophthalmic equipments, etc.
	Health Care	Contact lenses, intraocular lenses, hearing aids, etc.
Lifestyle Refinement	Crystal	Crystal glass products
	Service	Design of information systems, placement of temporary staff, etc.

2. Corporate operating expenses mainly consist of the administration expenses of the headquarters of the Company and the overseas regional holding companies in the two geographic areas, which are not allocated to each industry segment. Corporate operating expenses for the three months ended Sep. 30, 2001 and 2000 are as follows:

2001	¥389 million	2000	¥565 million
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3. Corporate assets mainly consist of cash, time deposits, marketable securities, investments securities and administrative assets of the Company and the overseas regional holding companies in the two geographic areas. Corporate assets as of Sep. 30, 2001 and 2000 are as follows:

2001	¥49,232 million	2000	¥48,308 million
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### (3) Overseas Sales

(Figures less than a million Yen are omitted.)

for the three months ended September 30, 2001

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	¥10,392	¥8,562	¥5,379	¥17	¥24,351
Consolidated Sales (B)					¥58,037
Overseas Sales ratio A/B	17.9%	14.8%	9.3%	0.0%	42.0%
Regional Sales ratio	42.7%	35.1%	22.1%	0.1%	100.0%

for the three months ended September 30, 2000

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	¥8,951	¥8,142	¥7,367	¥10	¥24,470
Consolidated Sales (B)					¥59,372
Overseas Sales ratio A/B	15.1%	13.7%	12.4%	0.0%	41.2%
Regional Sales ratio	36.6%	33.3%	30.1%	0.0%	100.0%

Ref:

Differences between the second quarter of this year and the same period last year

	Millions of Yen				
	North America	Europe	Asia	Other	Total
Overseas Sales (A)	¥1,441	¥420	¥-1,988	¥7	¥-119
Consolidated Sales (B)					¥-1,335
Variance(%)	16.1%	5.2%	-27.0%	70.0%	-0.5%

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

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

## 4. Composition of Net Sales by Segment (unaudited)

HOYA CORPORATION and Consolidated Subsidiaries

Business Category Company	Three months ended September 30,		Variance		Year ended March 31,
	2001	2000	Value	(%)	2000
Millions of yen [%]					
<b>Electro-Optics</b>					
Domestic	¥14,216 ( 56.9 )	¥15,594 ( 54.2 )	¥-1,378	-8.8	¥61,492 ( 54.7 )
Overseas	10,777 ( 43.1 )	13,201 ( 45.8 )	-2,424	-18.4	50,848 ( 45.3 )
total	24,992 [ 43.1 ]	28,796 [ 48.5 ]	-3,804	-13.2	112,341 [ 47.4 ]
<b>Photonics</b>					
Domestic	833 ( 47.5 )	856 ( 62.3 )	-23	-2.7	3,880 ( 59.4 )
Overseas	922 ( 52.5 )	519 ( 37.7 )	403	77.6	2,652 ( 40.6 )
total	1,756 [ 3.0 ]	1,374 [ 2.3 ]	382	27.8	6,533 [ 2.8 ]
<b>Information Technology</b>					
Domestic	15,049 ( 56.3 )	16,450 ( 54.5 )	-1,401	-8.5	65,373 ( 55.0 )
Overseas	11,699 ( 43.7 )	13,719 ( 45.5 )	-2,020	-14.7	53,501 ( 45.0 )
total	26,748 [ 46.1 ]	30,169 [ 50.8 ]	-3,421	-11.3	118,875 [ 50.2 ]
<b>Vision Care</b>					
Domestic	10,771 ( 46.5 )	10,861 ( 51.0 )	-90	-0.8	41,083 ( 47.7 )
Overseas	12,395 ( 53.5 )	10,449 ( 49.0 )	1,946	18.6	45,114 ( 52.3 )
total	23,165 [ 39.9 ]	21,310 [ 35.9 ]	1,855	8.7	86,198 [ 36.4 ]
<b>Health Care</b>					
Domestic	5,614 ( 99.6 )	5,087 ( 99.5 )	527	10.4	20,029 ( 99.5 )
Overseas	25 ( 0.4 )	27 ( 0.5 )	-2	-7.4	99 ( 0.5 )
total	5,638 [ 9.7 ]	5,114 [ 8.6 ]	524	10.2	20,129 [ 8.5 ]
<b>Eye Care</b>					
Domestic	16,384 ( 56.9 )	15,947 ( 60.4 )	437	2.7	61,113 ( 57.5 )
Overseas	12,420 ( 43.1 )	10,476 ( 39.6 )	1,944	18.6	45,214 ( 42.5 )
total	28,803 [ 49.6 ]	26,423 [ 44.5 ]	2,380	9.0	106,327 [ 44.9 ]
<b>Crystal</b>					
Domestic	1,828 ( 88.7 )	2,036 ( 88.1 )	-208	-10.2	9,067 ( 91.2 )
Overseas	232 ( 11.3 )	274 ( 11.9 )	-42	-15.3	874 ( 8.8 )
total	2,060 [ 3.5 ]	2,310 [ 3.9 ]	-250	-10.8	9,942 [ 4.2 ]
<b>Service</b>					
Domestic	426 ( 99.8 )	468 ( 100.0 )	-42	-9.0	1,657 ( 100.0 )
Overseas	1 ( 0.2 )	- ( - )	1	-	0 ( 0.0 )
total	427 [ 0.7 ]	468 [ 0.8 ]	-41	-8.8	1,657 [ 0.7 ]
<b>Lifestyle Refinement</b>					
Domestic	2,254 ( 90.6 )	2,503 ( 90.1 )	-249	-9.9	10,724 ( 92.5 )
Overseas	232 ( 9.4 )	274 ( 9.9 )	-42	-15.3	874 ( 7.5 )
total	2,487 [ 4.3 ]	2,778 [ 4.7 ]	-291	-10.5	11,599 [ 4.9 ]
<b>Total Net Sales</b>					
Domestic	¥33,687 ( 58.0 )	¥34,902 ( 58.8 )	¥-1,215	-3.5	¥137,211 ( 57.9 )
Overseas	24,351 ( 42.0 )	24,470 ( 41.2 )	-119	-0.5	99,590 ( 42.1 )
total	¥58,037 [ 100.0 ]	¥59,372 [ 100.0 ]	¥-1,335	-2.2	¥236,802 [ 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.