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News Release

October 1, 2004

To all concerned parties

Company Name: HOYA CORPORATION
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Code:7741, Tokyo Stock Exchange, 1st Section
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RE: Establishment of ADR Program

We will establish a Level-1 American Depositary Receipt (ADR) program, which will allow the distribution in the company's stock in the U.S. over-the-counter market (non-listed) in the form of ADRs.

1. Purpose for Establishing the ADR Program and Anticipated Effect

The purpose is to promote an expansion in investors by broadening the choices in available investment instruments of individual investors and small and medium size investors that are not able to invest in foreign stock since ADRs are treated as U.S. domestic securities.

By increasing investment opportunities for individual investors in the U.S., we anticipate that that will also lead to greater name recognition of the company in the U.S.

We have thus far focused efforts on IR activities through shareholder-oriented policies and intend to further reinforce IR activities by top management with the aim of distributing ADRs at the individual investor level.

2. Details of the ADR program

Type of ADR program:	Sponsored ADR Level-1
Start of Trading:	October 1, 2004 (New York time)
Stock Conversion Rate:	1 ADR = 1 share of underlying stock (1:1)
U.S. securities code:	CUSIP: 443251103 ISIN: US4432511032
Depository Bank:	Deutsche Bank Trust Company Americas
Underlying Stock Custodian:	Sumitomo Mitsui Banking Corporation

Supplementary explanation

(1) What is an ADR?

ADR is the acronym for American Depositary Receipts, which are U.S. dollar denominated transferable registered securities that foreign companies can distribute in the U.S. instead of the underlying stock.

They facilitate investment in foreign stock by U.S. investors. The underlying stock is held in custody (deposit) in the issuing company's home country and ADRs are issued by the depositary bank in the U.S. based on the underlying stock.

(2) Types of ADRs

ADRs are divided into Levels 1-3 depending on whether new stock is issued, whether the company is listed or unlisted on U.S. stock markets and other conditions.

Level 1 offers a convenient means for foreign companies to distribute securities in the U.S. market, although new stock is not issued and since the company is not listed, stock is traded on the over-the-counter market. Companies are not obligated to make disclosures to the SEC based on certain procedures to the extent required by listed companies in accordance with U.S standards.

(3) Sponsored ADRs

The company issuing the underlying stock (sponsor) concludes a depositary agreement with a specific depositary bank and ADRs are issued by the depositary bank once the issuer, depositary bank and investor rights and obligations have been clarified.

In contrast, unsponsored ADRs are issued by the depositary bank based on investor demand without any involvement at all by the company issuing the underlying stock.

ADR	No public subscription or sales of new shares	Level	Non-listed	(Unsponsored) No involvement by company Issuance at the discretion of the depositary bank
				(Sponsored) Company and depositary bank conclude contract Trading among securities companies No obligation for disclosure to the extent required by a listed company in accordance with US standards
		Level	Listed only	Listing on New York Stock Exchange, other stock exchange or NASDAQ Compliance with US accounting standards
	Public subscription or sales of new shares	Level	Listing with public offering	Listing on New York Stock Exchange, other stock exchange or NASDAQ Compliance with US accounting standards
		144a	(private placement; omitted)	

(4) Mechanism of Level 1 ADR Issuance

