

October 29, 2007

To whom it may concern

HOYA CORPORATION  
Hiroshi Suzuki, CEO  
Stock Code: 7741

**Notification of Issuance of Stock Options (New Share Subscription Rights) to Directors**

In a meeting of the Board of Directors on October 29, 2007, HOYA CORPORATION "the Company" decided to grant stock options to directors of the Company, including directors concurrently appointed as executive officers, pursuant to the provision of Article 236, 238 and 240 of the Company Law in order to raise volition to the improvement in business performance. The details are as follow.

Granting the above stock options was resolved at the Board of Directors meeting based on the deliberation of the compensation committee of the Company.

1. Stock options to be issued:  
Seventh issue of stock acquisition rights for common stock of the Company
2. Total number of stock options to be issued:  
194 stock options  
Each stock option is equivalent to four hundreds common shares of the Company.
3. Class and number of shares to be issued upon exercise of the stock options:  
77,600 common shares of the Company.
4. Issue price of the stock options:  
Free of charge.
5. Allotment date of stock options:  
Wednesday, November 14, 2007
6. Amount to be paid upon exercise of the stock options and the ground for calculation:  
Amount to be paid upon exercise of one stock option: 1,692,000 Japanese Yen  
4,230 Japanese Yen per share  
The paid-in amount per share is equivalent to the closing price of the Company's shares on the Tokyo Stock Exchange on the business day immediately preceding the day on which the Board of Directors decided to grant stock options (Friday, October 26, 2007).

In the event that the Company divides or consolidates its shares, the said paid-in amount shall be adjusted in accordance with the following formula, with any fraction of one yen occurring upon such adjustment rounded upward to the nearest one yen:

$$\text{Paid-in amount as adjusted} = \frac{\text{Paid-in amount before adjustment}}{\text{Division/consolidation ratio}} \times 1$$

The appropriate adjustments shall also be made in cases specified by the Company by resolution of the Board of Directors.

7. The total amount of issuing price upon exercise of the stock options:  
328,248,000 Japanese Yen
8. Period the stock options can be exercised:  
From October 1, 2008 to September 30, 2017
9. Number of people to whom the stock options are granted:  
Total of 8 directors of the Company, including directors concurrently appointed as executive officers.
10. Terms and conditions of the exercise of stock options:
  - (i) Any grantee of stock acquisition rights shall remain in office as director, executive officer or employee of the Company or director or employee of its subsidiaries when he/she exercises the rights. Unless otherwise stated, he/she can exercise not exceeding the maximum number of the stock acquisition rights exercisable set forth in a Stock Acquisition Right Allocation Contract when he/she leaves office upon expiration of the term of office or due to his/her mandatory retirement age or for any other legitimate reason. Any parts exceeding the maximum number of the stock acquisition rights exercisable that will be entitled after his/her expiration of the term of office or mandatory retirement cannot be exercised.
  - (ii) The exercise of stock acquisition rights by a heir(s), a transferee(s), a pledgee(s) and other successors of a person who was allotted stock acquisition right under the Stock Acquisition Right Allocation Contract shall not be allowed.
  - (iii) In a Stock Acquisition Right Allocation Contract, the Company shall have the right to fix the maximum number of the stock acquisition rights exercisable, or the maximum aggregate issue price of shares to be issued upon exercise of the stock acquisition rights, in each year (from October 1 to September 30 of the following year) during the period the stock acquisition rights can be exercised.
  - (iv) Any other terms or conditions shall be governed by a Stock Acquisition Right Allocation Contract to be entered into in accordance with the resolution of the Board of Directors for the issuance of the stock acquisition rights.
  - (v) One stock acquisition right cannot be exercised by further dividing the right.

11. Acquisition of stock acquisition rights

- (1) In the event that a merger agreement under which the Company is not the surviving company, a division agreement or division plan under which the Company is divided, a stock-for-stock exchange agreement under which the Company becomes a wholly-owned subsidiary or a stock-transfer plan is approved at a General Meeting of Shareholders (a resolution of the Board of Directors or a decision of the Representative Executive Officers when the approval of a General Meeting of Shareholders is not required), the Company may acquire stock acquisition rights without consideration.
- (2) In the event that grantees become unqualified as recipients or grantees waive a part or all of the rights, the Company may acquire the stock acquisition rights free of charge.

12. Common stock and capital reserve to be increased upon exercise of the stock options

In the event of the issue of shares through the exercise of a stock acquisition right, the amount of increase in common stock per share shall be the amount obtained by multiplying the amount per share invested at the time of the exercise of the stock acquisition right (rounding up any fraction arising from the calculation) by 0.5. The amount of increase in capital reserve per share shall be the amount obtained by deducting the amount of capitalization into common stock from the amount per share invested at the time of the exercise of the stock acquisition right. Provided, however, that total amount per share invested at the time of the exercise of the stock acquisition right will not exceed the maximum limit for increase in capital, etc. which is calculated in accordance with the provision of Article 40-1 of the Company Accounting Roles.

13. Restrictions on assignment of stock acquisition rights

Assignment of stock acquisition rights requires the approval of the Board of Directors.

14. Insurance of certificates for the stock options

The Company will issue certificates for the stock option only upon the recipient's request, provided, however, that sets down in Stock Acquisition Right Allocation Contract.