

Company Name: HOYA CORPORATION
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the Tokyo Stock Exchange)
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Recognition of an extra-ordinary gain - partial sale of shares in NH TECHNO GLASS

HOYA CORPORATION (“the Company”) announces that the Company decided and signed the agreement today on the sale of 21.5% of its shareholding out of 50% in its affiliate (consolidated by equity method accounting), NH TECHNO GLASS CORPORATION (“NH Techno Glass”). As a result, we will recognize an extra-ordinary gain on a consolidated and a non-consolidated basis in the fiscal year ending March 31, 2009 as below:

1. The reason of the share sale:

The Company agreed to welcome a global private equity firm The Carlyle Group as a co-partner to hold shares of NH Techno Glass upon the occasion that Nippon Sheet Glass Co., Ltd. (“NSG”), who holds 50% of the shares of NH Techno Glass, made a decision of the sale of all the shareholdings. The Company will sell 21.5% of its shareholdings out of 50% in NH Techno Glass to The Carlyle Group, however, will eventually hold 47.4% shares of NH Techno Glass after processing changes of capital structure, reorganizations and so on. The Company will co-work with The Carlyle Group as one of the main shareholders of NH Techno Glass.

Taking advantage of this occasion, NH Techno Glass will develop business operations more proactively under the management led by President Mr. Jun Makino. To be more precise, NH Techno Glass will aggressively make capital investment mainly in its overseas production sites to respond to customers' needs for increasing production capacity of glass substrate for LCD panels. Moreover, the Company will reinforce the management infrastructure in cooperation with The Carlyle Group, aiming to increase its enterprise value and the future IPO.

2. The company of which the share was transferred.

(1) Name: NH TECHNO GLASS CORPORATION

(2) Representative: Jun Makino, President

(3) Registered address: Yokohama, Kanagawa, Japan

(4) Date of registration: May 21, 1991

(5) Principal business: Manufacturing and sales of TFT LCD glass substrate

- (6) Fiscal year end: 31st March
- (7) Number of employees: Consolidated: 1,147, Japan based: 184.
- (8) Office address: Yokohama, Yokkaichi and overseas subsidiaries (Taiwan, Singapore, Korea)
- (9) Share capital: JPY 3,000 million
- (10) The number of shares issued: 60,000 shares
- (11) Shareholders: NSG (50%), HOYA (50%)

3. The outline of the buyer

- (1) Name: The Carlyle Group
- (2) Representative: Chairman Louis V. Gerstner Jr.
(Carlyle Japan Joint Representatives: Tamotsu Adachi & Masao Hirano)
- (3) Principal address: Washington D.C. U.S.A
(1001 Pennsylvania Ave., N.W. Suite 220 South, Washington, D.C.)
- (4) Outline of business: Private Equity Fund
- (5) Interests and relevance to the Company: None

4. Details of transfer

- (1) Number of shares held before transfer: 30,000 shares (50%)
(Shares with voting rights: 30,000 shares)
- (2) Number of shares transferred: 12,921 shares (Proceeds: JPY17.5 billion)
- (3) Number of shares held after transfer: 17,079 shares (28.5%)
(Shares with voting rights: 17,079 shares)

5. Time frame of the transfer

May 9, 2008	Signed the agreement
Early June 2008	Expected Closing Date

6. Impact on the Group's operation

It is estimated that the Company will recognize an extra-ordinary gain on a non-consolidated basis of JPY 16.8 billion and on a consolidated basis of JPY 10.4 billion at its result of the first quarter for the fiscal year to March 2009.

The above transaction, namely the transfer of the shares, will become officially effective when its closing conditions are met. It is expected the closing will be done four or five weeks after the execution of the share purchase agreement.

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