

April 28, 2008

To whom it may concern

HOYA Corporation  
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Stock Code: 7741(TSE First Section)

**Issuance of stock warrants as stock options**

At the board meeting held on April 28, 2008, the company decided that it will propose, at the 70th annual shareholders' meeting scheduled for June 18, 2008, a bill to approve the issuance of stock warrants as stock options to its employees as well as directors and employees of its affiliated companies and the delegation of decision on offering to the board meeting described as follows based on Articles 238 and 239 of the Corporate Law.

Notes

1. Reason for issuing stock warrants to those other than shareholders under especially favorable conditions

The company intends to issue stock warrants to its employees as well as directors and employees of its affiliated companies under especially favorable conditions as described in the following item 3 in order to increase their morale and enthusiasm for improving business results.

2. Those to whom the stock warrants will be allocated

Stock warrants will be allocated to the company's employees as well as directors and employees of its affiliated companies.

3. Outline of issuance of stock warrants

- (1) Type and number of shares for the purpose of stock warrants

The maximum number of shares shall be 1.2 million common shares of the company.

The number of shares for this purpose shall be adjusted in accordance with the following formula when the company splits or reverse-splits its shares. However, adjustments shall be made on the shares for the purpose of stock warrants unexercised on the relevant date, and fractions resulting from the adjustment shall be rounded down.

Number of shares after adjustment = Number of shares before adjustment ×

#### Ratio of stock split or reverse-split

It shall be adjusted properly in cases stipulated by a resolution of the board meeting.

(2) Number of stock warrants

The maximum number of stock warrants shall be 3,000.

(The number of shares for the purpose for each stock warrant is 400. A similar adjustment shall be made when the number of shares is adjusted in accordance with item (1) above.)

(3) Amount paid for stock warrant

No payment of money shall be needed.

(4) Method of calculating the value of the asset to be invested when exercising the stock warrant

The value of the asset to be invested when exercising a stock warrant shall be the amount of investment per share to be decided as follows multiplied by the number of shares for a stock warrant stipulated in above (2).

The investment amount per share shall be the closing price on the Tokyo Stock Exchange of the day before the date of the resolution by the board meeting on the offering of the warrants to subscribe the common stock of the company (the latest day when no transactions were made on the relevant day).

When the stock is split or reverse-split, however, the investment amount shall be adjusted in accordance with the following formula, and fractions resulting from the adjustment shall be rounded up.

$$\text{Investment amount after adjustment} = \text{Investment amount before adjustment} \times (1 \div (\text{Ratio of split or reverse-split}))$$

It shall be adjusted properly in cases stipulated by a resolution of the board meeting.

(5) Period for exercising stock warrants

The period shall be from October 1, 2009 to September 30, 2018. The exercise of stock warrants during the period for exercising the right may be restricted in accordance with the contract on the allocation of the stock warrants (“the stock warrant allocation contract”) signed between the individual applicable person and the company.

(6) Conditions for exercising stock warrants

i) Persons to whom stock warrants were allocated should be the company’s

employees or the directors or employees of its affiliated companies. However, this shall not apply in particular cases including resignation at the end of a term and mandatory retirement.

- ii) The exercise of stock warrants in the stock warrant allocation contract by the heir shall not be allowed.
- iii) The maximum number of stock warrants that can be exercised each year (the period from October 1 to September 30 on the following year) during the exercise period and the maximum limit of the total value of shares to be issued with the exercise of stock warrants can be stipulated in the stock warrant allocation contract.
- iv) Other warrant exercise conditions shall be based on a resolution of the board meeting to stipulate the offering of stock warrants and in accordance with the stock warrant allocation contract.

(7) Acquisition of stock warrants

The company can acquire stock warrants free of charge in case of a merger contract where the company is dissolved, a division contract or division plan where the company is divided, a stock exchange contract where the company becomes a wholly-owned company or the stock transfer plan was approved at the shareholders' general meeting (resolution of the board meeting or CEO's decision when approval by the shareholders' general meeting is not required).

(8) Increased capital and capital reserve

When shares are issued with the exercise of stock warrants, the increased capital per share shall be the per-share amount to be invested with the exercise of stock warrants multiplied by 0.5 (the amount after rounding up fractions below 1 yen as a result of calculation) and the increased capital reserve per share shall be the amount after subtracting the posted capital from the per-share amount to be invested with the exercise of stock warrants.

(9) Restrictions on transfer of stock warrants

The acquisition of stock warrants by transfer shall require the approval of a board meeting.

(10) Delegation of decision on offering

The items and particulars related to the offering of stock warrants other than those stipulated above shall be decided by a resolution of the board meeting.