This is a reference translation of the Japanese version of the Notice of the 75th Ordinary General Meeting of Shareholders.
The official text of the Notice is the Japanese version.

HOYA

Notice of the 75th Ordinary General Meeting of Shareholders

Information for the meeting

Date and time of meeting

June 21 (Friday), 2013

Start accepting	9:00 a.m.
Opening of the meeting	10:00 a.m.

Location

Bellesalle Shinjuku Grand
(Event Hall)
8-17-3 Nishi Shinjuku, Shinjuku-ku, Tokyo, Japan

HOYA CORPORATION

Security Code: 7741

Message from President & CEO

Dear Shareholders,

I would like to express my thanks for your patronage.

The HOYA Group has been promoting “portfolio management,” which ensures the profitability, stability and growth potential of the Group as a whole by simultaneously holding several different businesses and striking an appropriate balance between them. This strategy, by concurrently operating multiple businesses, which are at different stages of their lifecycles, namely their growth, maturity and decline stages, allows the entire Group to sustainably generate steady returns while tolerating a certain level of risk.

I am aware that as CEO my main duty is to enhance the Group’s corporate value by taking such a business portfolio and reshaping it to reflect changes of the times and the environment. Enhancement of corporate value requires that we generate profits exceeding capital costs to provide returns expected by our shareholders, continuously and in the long-term; and it is our firm belief that through such efforts we are able to contribute to whole our stakeholders.

For the past ten years, the Information Technology segment had been the main growth driver of the HOYA Group. However, as far as maskblanks for semiconductors and large-size photomasks for liquid crystal displays are concerned, despite continuous product and technology innovations, there is no denying that the industry itself has reached the stage of maturity. Thus, based on such an outlook, the Group for the past few years has been focusing on the creation of a structure that could generate cash flows in the future for a long-term. Going forward, the Group will continue to promote its businesses with its focus on maintaining higher profits.

Hiroshi Suzuki
President & CEO

Meanwhile, we will focus on the Life Care segment with its high growth potential and accelerate its growth in sales. As many of the products in this segment are intended for the elderly, we expect to ride on the strength of the current global aging trend, as well as benefit from the expanded markets precipitated by the rising standard of living in the emerging countries. As HOYA’s eyeglass lenses business and intraocular lenses business for cataract patients already command a major share of the market in Japan, we believe that greater market opportunities await us overseas. There is still ample room for our growth. We also anticipate a market development in HOYA’s endoscope business.

At the HOYA Group, while the Information Technology segment continues to generate stable cash flow, we will invest our management resources in the Life Care segment in order to accelerate its growth. Concurrently we will expand our business portfolio in an effort to enhance our corporate value.

We thank our shareholders for their ongoing support and understanding.

Corporate Mission

"Dedicated to innovation in
information technology,
lifestyles and culture,
HOYA envisions a world
where all can enjoy the good life,
living in harmony with nature."

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From the Past, to the Present, and into the Future

Aiming at further growth in the Life Care area

As the world's leading manufacturer of optical products, HOYA has played an integral role in people's lives. HOYA implements "portfolio management" to ensure profitability, stability and growth potential of the Group as a whole while engaging in and balancing multiple businesses adapting to the changes of times.

Enhancing Portfolio Management

Each business has its lifecycle. New businesses are born, while other businesses are growing or have even outgrown their usefulness to society. HOYA ensures the efficient management and the sustainable growth of the entire Group by promoting selection and concentration, and strategically investing its management resources in businesses which are at different stages of their lifecycles.

2013 Acquired eyeglass lenses manufacturing business from Seiko Epson Corporation.

2012 Number of "Eyecity," contact lenses specialty store reached 200 nationwide.
Entered metallic orthopedic implant business.

2011 Sold PENTAX Camera business.

2009 Terminated Crystal business.

2008 Merged with PENTAX.

2004 Launched injector for soft intraocular lenses.

2003 Launched integrated double surface progressive lenses for eyeglasses with wider eyesight and less distortion or sway, by use of FreeForm technology.

Early 2000's Recorded significant growth of electronics-related products due to explosive growth of digital consumer electronics.

2001 Launched soft intraocular lenses.


Medical endoscope


Injector

1990's

●1991
Started production of glass disks for HDDs.

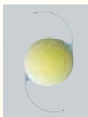

Glass disks for HDDs

1980's

●1987
Started production of aspherical molded lenses.


Aspherical molded lenses

●1987
Launched the intraocular lenses.


Intraocular lenses

1970's

●1972
Started production of soft contact lenses.

●1975
Developed and started production of mask blanks for semiconductors.


Maskblanks

1960's

●1962
Started production of eyeglass lenses.

1940's

●1941
Established as specialty manufacturer of optical glass, cutting-edge industries at that time.

HOYA Group's Businesses

Based on the concept of "portfolio management," the Information Technology and Life Care segments are currently the two major pillars of HOYA's business. While we secure stable earnings by capitalizing on HOYA's competitive engineering strengths in the Information Technology segment, we also achieve accelerated growth in the Life Care segment by aggressively investing our management resources. HOYA will continue its efforts to ensure its sustained corporate growth by optimally allocating its investment resources to maximize its corporate value.

Electronics

Engaged in maskblanks and photomasks used in the production of semiconductors and LCD panels as well as glass disks for HDDs.

Maskblanks and Photomasks for Semiconductors Manufacturing

Glass Disks for HDDs

- Maskblanks and Photomasks for Semiconductors Manufacturing
- Photomasks for LCDs Manufacturing
- Glass Disks for HDDs

Health Care

Engaged in the manufacture and sales of eyeglass lenses and operates the Eyecity chain of contact lens specialty stores.

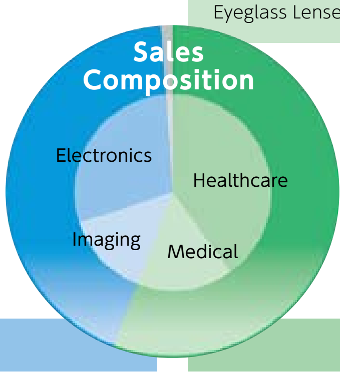
Eyeglass Lenses

Eyecity

- Eyeglass Lenses
- Contact Lenses
- Eye City, contact lenses specialty store

Information Technology

43%



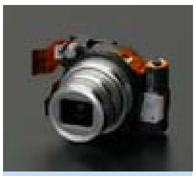
Life Care

56%

Imaging

Engaged in the manufacture and sales of optical lenses, optical glasses, compact camera lens modules, and micro lenses for DVD and Blu-ray.

Optical Lenses



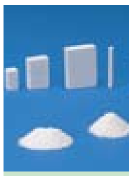
Compact Camera Lens Modules

- Optical Lenses/ Optical Glasses
- Digital Camera Modules
- Special-purpose Lenses
- Plastic Lenses
- Laser-related Equipments

Medical

Engaged in the manufacture and sales of medical endoscope, intraocular lenses for cataract patients and biocompatible ceramic products for bone defects.

Medical Endoscope



Apatite Products (Composite Bone)

Metallic Implant for Orthopedics

- Medical Endoscope
- Intraocular Lenses for Contract Patients
- Composite Bone/ Metallic Implant for Orthopedics

<Note> As we execute consolidated group management, the term "HOYA" herein refers to the "HOYA Group" in reference to its history, activities, operating results, etc. In particular, statements concerning HOYA on a nonconsolidated basis are written in the form of "HOYA Corporation" or "HOYA Corp."

Security Code: 7741
May 31, 2013

Notice of the 75th Ordinary General Meeting of Shareholders

Dear Shareholders:

Notice is hereby given that the 75th Ordinary General Meeting of Shareholders of HOYA CORPORATION ("the Company") will be held as set forth below and you are cordially invited to be present at such meeting.

Since voting rights can be exercised in writing or via the Internet even if you are not present at the meeting, please go over the information set forth in the accompanying Reference Material for the General Meeting of Shareholders and send us, either by return mail the enclosed voting form indicating your approval or disapproval of the proposition, or entering your approval or disapproval of the proposition from the voting site designated by the Company (http://www.evote.jp) no later than 5:45 p.m. on June 20 (Thursday), 2013 to exercise your voting rights.

Yours very truly,

HOYA CORPORATION
2-7-5, Naka-Ochiai, Shinjuku-ku, Tokyo, Japan
Hiroshi Suzuki
Director, President & CEO

Description

1. Date and time of meeting: June 21st (Friday), 2013, at 10:00 a.m.

2. Location: Belle Salle Shinjuku Grand (at Event Hall)
8-17-3 Nishi Shinjuku, Shinjuku-ku, Tokyo, Japan
(Please note that there is another similar named hall in the neighborhood.
If you have any query regarding the venue please contact us;
TEL +81-(0)3-3952-1151.)

3. Agenda:

Matters to be reported:

1. The business report and consolidated financial statements for the 75th fiscal year (from April 1, 2012 to March 31, 2013) and the audited reports of the consolidated financial statements for the fiscal year by the Accountant Auditor and the Audit Committee.

2. Reports on financial statements for the 75th fiscal year (from April 1, 2012 to March 31, 2013).

Matters for resolution:

〈A matter proposed by the Company (Proposition No.1)〉

Proposition No.1: Election of 7 Directors

〈Matters proposed by shareholders (Propositions No.2 to No.10)〉

Proposition No.2: Partial amendment to the Articles of Incorporation
(Individual disclosure of remunerations to Directors and Executive Officers)

Proposition No.3: Partial amendment to the Articles of Incorporation
(Amendment to increase to 1,000 characters the volume of explanatory text permitted for shareholders’ propositions)

Proposition No.4: Partial amendment to the Articles of Incorporation
(Prohibition to treat a submitted voting form left blank as affirmative to Company's proposal and dissenting to shareholder's proposal)

Proposition No.5: Partial amendment to the Articles of Incorporation
(Obligation to hold meetings not involving Executive Officers)

Proposition No.6: Partial amendment to the Articles of Incorporation
(Separation of roles of Chairman of the Board and CEO)

Proposition No.7: Partial Amendment to the Articles of Incorporation
(Establishment of a contact point within the Audit Committee for whistle-blowing)

Proposition No.8: Partial amendment to the Articles of Incorporation
(Retaining of legal counsel to the Board of Directors)

Proposition No.9: Partial Amendment to the Articles of Incorporation
(Allocation of committee budget that may be used without the approval of the Executive Officers)

Proposition No.10: Election of One (1) Director

For an outline of each of the propositions, please refer to the accompanying Reference Material for the General Meeting of Shareholders.

[Matters published on the Internet]

(1) Of the matters to be included in this notice pursuant to laws and regulations and provisions of Article 16 of the Articles of Incorporation of the Company, Notes to the consolidated financial statements and Notes to the financial statements are disclosed on our website

(http://www.hoya.co.jp/english/) instead of being included in the accompanying this business report. Therefore, the document attached to this Notice constitute a part of the consolidated financial statements and the financial statements audited by the accounting auditor in preparing its audit report.

(2) If any revision takes places in the accompanying Reference Materials for the General Meeting of Shareholders, the business report, the consolidated financial statements or the financial statements, it will be published at the Company's website on the Internet (http://www.hoya.co.jp/english/).

[Precautions for exercising the voting rights by proxy]

If attending the meeting by proxy, the proxy must present to the receptionist at the meeting an item showing authority to act as proxy, with a signature or name and seal of the shareholder who entrusted the service as proxy, together with the voting form of the said shareholder or a copy of a form of ID (seal registration certificate, driver’s license, etc.). The proxy must be another shareholder of the Company having voting rights as provided under the Articles of Incorporation of the Company.

Information on exercising the voting rights

As the exercise of voting rights in the Ordinary General Meeting of Shareholders is the important right of all shareholders. Please go over the information set forth in the accompanying Reference Material for the General Meeting of Shareholders and exercise your voting rights.
The exercise of voting rights is subject to the following three ways:

1. If you attend the meeting

If you are attending the meeting, please present the enclosed voting form to the receptionist at the meeting.

2. If you are exercising your voting rights in writing

If you are exercising your voting rights in writing, please indicate your approval or disapproval of the proposition on the enclosed voting form and send us by post so that the Company can receive your form by **no later than 5:45 p.m. on June 20 (Thursday), 2013**.

3. If you are exercising your voting rights via the Internet

If you are exercising your voting rights via the Internet, please confirm the following precautions before exercising the rights.

Exercising of the voting rights via the Internet is accepted **until 5:45 p.m. on June 20 (Thursday), 2013**, however, please exercise your rights at the earliest possible time, and if you have any questions concerning how to use the system please contact the help desk below.

Contact Information:
Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Department (Help Desk)
Tel: **0120-173-027** (Office hours: from 9:00 a.m. to 9:00 p.m., toll free)

1) About the voting rights exercising site

- The voting rights can be exercised via the Internet by a personal computer, a smart phone or a mobile phone (i-mode, EZweb, Yahoo!Keitai) (Note) only by accessing the voting rights exercising site designated by the Company (http://www.evote.jp/). (However, the service is suspended from 2:00 am to 5:00 a.m. every day.)
  (Note) "i-mode", "EZweb" and "Yahoo!" are trademarks or registered trademarks of NTT DoCoMo, Inc., KDDI Corporation and Yahoo! Inc. in the United States, respectively.
- It may not be possible to exercise the voting rights from a personal computer depending on the Internet environment of the shareholder in case firewalls or anti-virus software are set up on the personal computer, or a proxy server is used, etc.
- When you exercise your voting rights from a mobile phone, please use one of the following mobile phone services: i-mode, EZweb or Yahoo!Keitai. For security purposes, mobile phones that are not able to handle encrypted communications (SSL communication) and to transmit terminal ID information are not supported.

2) How to exercise the voting rights via the Internet

- On the voting website (http://www.evote.jp/), please enter the "Login ID" and "temporary password" which are stated on your voting form, and follow instructions on screen to enter your approval or disapproval.
- In order to prevent unauthorized access by third parties other than shareholders (so-called "spoofing") and to prevent tampering with the content of the voting, please note that shareholders who use this function will be asked to change the "temporary password" on the voting website.

3) Costs incurred when accessing the voting website

Costs incurred when accessing the voting website (such as Internet connection charges and phone charges) are to be borne by the shareholders. When a smart phone or a mobile phone is used, packet communication fees and other smart phone or mobile phone usage fees are incurred, and these are also to be borne by the shareholders.

[Handling of voting rights]

- **If you indicate neither your approval nor disapproval of a proposition, your answer will be deemed to be approval for a proposition proposed by the Company and disapproval for a proposition proposed by shareholders.**
- **If you exercise your voting rights redundantly via the Internet and by mail, the voting rights exercised via the Internet shall be treated as valid.**
- **If you exercise your voting rights more than once via the Internet, the Company will regard the content of the last exercise as valid. Similarly, when you exercise your voting rights redundantly via a personal computer, a smart phone and a mobile phone, the Company will regard the content of the last exercise as valid.**

- End -

Reference Material for the General Meeting of Shareholders

<A matter proposed by the Company (Proposition No. 1)>

Proposition No. 1 is a proposal made by the Company.

Proposition No. 1 Election of 7 Directors

The term of office of all of the seven Directors will expire at the close of this Ordinary General Meeting of Shareholders. It is therefore proposed that seven Directors be elected in accordance with the decision made by the Nomination Committee.

The Nomination Committee has reported that according to the "Basis for Election of Candidates for Directors" established by the committee, each candidate for Director does not fall under any reason for disqualification and all candidates for both Inside Directors and Outside Directors meet the requirements for such candidates.

The candidates for Directors are as follows:

No	Name	Current positions and assignments at the Company	
1	**Yuzaburo Mogi**	Director, Chairman of the Nomination Committee Member of the Compensation Committee Member of the Audit Committee	Independent
2	**Yukiharu Kodama**	Director, Chairman of the Audit Committee Member of the Nomination Committee Member of the Compensation Committee	Independent
3	**Itaru Koeda**	Director, Member of the Nomination Committee Member of the Compensation Committee Member of the Audit Committee	Independent
4	**Yutaka Aso**	Director, Member of the Nomination Committee Member of the Compensation Committee Member of the Audit Committee	Independent
5	**Yukako Uchinaga**	New candidate for Director, New candidate for member of the Nomination Committee, the Compensation Committee and the Audit Committee	Independent New
6	**Mitsudo Urano**	New candidate for Director, New candidate for member of the Nomination Committee, the Compensation Committee and the Audit Committee	Independent New
7	**Hiroshi Suzuki**	Director, President & CEO	

(Note) Mr. Yuzaburo Mogi, Mr. Yukiharu Kodama, Mr. Itaru Koeda, Mr. Yutaka Aso, Ms. Yukako Uchinaga and Mr. Mitsudo Urano are candidates for the posts of Outside Directors. The Company has provided notice to the Tokyo Stock Exchange of Mr. Yuzaburo Mogi, Mr. Yukiharu Kodama, Mr. Itaru Koeda and Mr. Yutaka Aso as being independent directors appointed by the Company, in accordance with the Tokyo Stock Exchange's rules and regulations. Ms. Yukako Uchinaga and Mr. Mitsudo Urano each also meet the requirement of an independent director in accordance with the Tokyo Stock Exchange's rule and regulations. Therefore, the Company plans to provide notice to the Tokyo Stock Exchange of them as being independent directors appointed by the Company.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
1	 **Yuzaburo Mogi** (Born on Feb. 13, 1935) Candidate for Outside Director Number of years in office of the Director of the Company: 12 Years Number of shares of the Company held: 4,000 Shares Number of attendances to the board meetings: 10/10 times (100%)	Apr. 1958 Joined Noda Shoyu Co., Ltd. (present Kikkoman Corporation) Mar. 1979 Director of Kikkoman Corporation Mar. 1982 Managing Director of Kikkoman Corporation Oct. 1985 Managing Director and Representative Director of Kikkoman Corporation Mar. 1989 Executive Managing Director and Representative Director of Kikkoman Corporation Mar. 1994 Executive Vice President and Representative Director of Kikkoman Corporation Feb. 1995 President and Representative Director of Kikkoman Corporation Jun. 2001 Director of the Company (present post) Jun. 2004 Representative Director, Chairman and CEO of Kikkoman Corporation Jun. 2011 Honorary CEO, Chairman of the Board of Kikkoman (present post) **(Important position of other companies concurrently held)** Honorary CEO, Chairman of the Board of Kikkoman Corporation Outside Director of Calbee, Inc. Outside Auditor of Tobu Railway, Co., Ltd. Outside Auditor of Fuji Media Holdings, Inc. Outside Auditor of Fuji Television Network, Inc.

Reason for the Selection of Candidate for Director

The above candidate has engaged in the management of Kikkoman Corporation in the food industry for many years, and has executed strategies in view of global markets from the early years at Kikkoman Corporation. Mr. Mogi also engages in various public activities representing business community, and is active as an opinion leader to boost Japan's international competitiveness. The Nomination Committee has determined that he is perfect for providing management supervision and governance from a broad and objective perspective, based on his experience as a global-minded, well-balanced management executive and his achievement as Outside Director for many years and as Chairman of the Compensation Committee and Chairman of the Nomination Committee. Although reelection frequency is capped at 9 times as a general rule under the "Basis for Election of Candidates for Directors" set forth by the Nomination Committee, Mr. Mogi was nominated as a Director candidate again due to strong requests made by all members of the Committee. Moreover, nothing between Kikkoman Group (including the candidate who came from the Kikkoman Group) and the Company Group exists violating the independence requirement for a Director candidate provided for in the "Basis for Election of Candidates for Directors" set forth by the Nomination Committee of the Company.

Message to Shareholders from Candidate

Our expected role as Outside Directors is to monitor the proper management conduct of executive officers from a perspective that differs from the internal management team. For this reason I feel it is important to ask tough questions at board meetings without reservation. I sense even from a long-term perspective that HOYA is a company with a great future. I would like to continue to support its growth from an objective standpoint.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
2	 **Yukiharu Kodama** (Born on May 9, 1934) Candidate for Outside Director Number of years in office of the Director of the Company: 8 Years Number of shares of the Company held: 1,000 Shares Number of attendances to the board meetings: 10/10 times (100%)	Apr. 1957 Joined the Ministry of International Trade and Industry (MITI) (present the Ministry of Economy, Trade and Industry (METI)) Jun. 1985 Director General of the Minister's Secretariat MITI Jun. 1988 Director General of Industrial Policy Bureau MITI Jun. 1989 Administrative Vice-Minister of MITI Jun. 1991 Retired from MITI Jun. 1991 Advisor to Japan Industrial Policy Research Institute Feb. 1992 Advisor to the Industrial Bank of Japan Jun. 1993 President of The Shoko Chukin Bank Jul. 2001 Chairman of the Japan Information Processing Development Corporation Jun. 2005 Director of the Company (present post) Nov. 2007 Chairman of the Mechanical Social Systems Foundation, Incorporated Foundation (present General Incorporated Foundation) (present post) **(Important position of other companies concurrently held)** Chairman of the Mechanical Social Systems Foundation, General Incorporated Foundation Outside Director of Asahi Kasei Corporation Outside Auditor of Tokyo Dome Corporation Outside Auditor of Yomiuri Land Co., Ltd.

Reason for the Selection of Candidate for Director

The above candidate has overseen business community widely in assisting the Minister of International Trade and Industry (present Minister of Economy, Trade and Industry) for many years, and gained a substantial knowledge and experience as an outside officer of other companies including financial institutions. The Nomination Committee has nominated Mr. Kodama as a Director candidate again this year, having determined that he would be able to make contributions to the Board of Directors from a perspective that is different from a business entrepreneur based on his experience in overseeing Japanese business community and the global affairs surrounding them for many years, and execute management supervision in a fair and objective manner based on his achievement as the Chairman of the Audit Committee for many years. Moreover, nothing between the Mechanical Social Systems Foundation (including the candidate who came from the Foundation) and the Company Group exists violating the independence requirement for a Director candidate provided for in the "Basis for Election of Candidates for Directors" set forth by the Nomination Committee of the Company.

Message to Shareholders from Candidate

Having served as Director over the past eight years, I believe HOYA is a company that constantly engages in dynamic activities as a global enterprise and relentlessly pursues the spirit of innovation even at the management level. HOYA offers products based on advanced technology one after the other in the fields of electronics, life care, etc., having started with glass technology and keeps moving forward strongly. As Outside Director, I intend to continue making contributions at the meetings of the Board of Directors, the Committees, etc. to fulfill our shareholders' expectations for the further growth of HOYA, while further enhancing corporate governance at HOYA.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
3	 **Itaru Koeda** (Born on Aug. 25, 1941) Candidate for Outside Director Number of years in office of the Director of the Company: 4 Years Number of shares of the Company held: 5,000 Shares Number of attendances to the board meetings: 10/10 times (100%)	Apr. 1965 Joined Nissan Motor Co., Ltd. Jun. 1993 Director of Nissan Motor Co., Ltd. May 1998 Managing Director of Nissan Motor Co., Ltd. May 1999 Vice President of Nissan Motor Co., Ltd. Apr. 2003 Representative Director of Nissan Motor Co., Ltd. Jun. 2003 Co-Chairman of Nissan Motor Co., Ltd. Jun. 2003 Chairman of Calsonic Kansei Corporation Jul. 2003 Director of Renault S.A. Mar. 2005 Chairman of JATCO Ltd. Jun. 2008 Chairman Emeritus and Advisor of Nissan Motor Co., Ltd. (present post) Jun. 2009 Director of the Company (present post) **(Important position of other companies concurrently held)** Chairman Emeritus and Advisor of Nissan Motor Co., Ltd.

Reason for the Selection of Candidate for Director

The above candidate has been engaged in the management of Nissan Motor Co., Ltd. for many years, during which period he had the valuable experience of promoting a joint venture with Renault. Mr. Koeda has also made substantial contributions to the Board of Directors of the Company with his deep knowledge of the management of the Company as a manufacturer, based on his management experience in the manufacturing division for many years. The Nomination Committee has nominated Mr. Koeda as a Director candidate again this year, having determined that he would be able to give advice and execute supervision with respect to the management of the Company based on his achievement as Director to date, and his deep understanding of market requirements considering his experience in dialogues with global stock markets over many years. There were transactions between Nissan Group (from which the candidate came) and the Company Group in the fiscal year 2012, however, the amount involved in the transaction represented less than 0.01% of the consolidated net sales of each Group. Moreover, nothing in connection with the candidate exists violating the independence requirement for a Director candidate provided for in the "Basis for Election of Candidates for Directors" set forth by the Nomination Committee of the Company.

Message to Shareholders from Candidate

I consider that resources allocation which is necessitated by environmental changes in the worldwide business context and dynamic decision-making are very important for HOYA which engages in development, production, sales and services on a global basis, and are carried out in a speedy manner by its management. As an Outside Director, I intend to fulfill my duties vigilantly so that management by executive officers is appropriately achieved with taking advantage of HOYA's strengths.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
4	 **Yutaka Aso** (Born on Aug. 28, 1946) Candidate for Outside Director Number of years in office of the Director of the Company: 2 Years Number of shares of the Company held: 1,000 Shares Number of attendances to the board meetings: 10/10 times (100%)	Nov. 1973 Joined Osawa Shokai (present J. Osawa Group Co., Ltd.) May 1975 Auditor of Aso Cement Co., Ltd. (present Aso Corporation) Jun. 1977 Senior Managing Director of Aso Cement Co, Ltd. Dec. 1979 President of Aso Cement Co., Ltd. Aug. 2001 President and Representative Director of Aso Cement Co., Ltd. Aug. 2001 President and Representative Director of LAFARGE ASO CEMENT Co, Ltd. (present Aso Cement Co., Ltd.) (present post) Jun. 2010 Chairman and Representative Director of Aso Corporation (present post) Jun. 2011 Director of the Company (present post) **(Important position of other companies concurrently held)** Chairman and Representative Director of Aso Corporation President and Representative Director of Aso Cement Co., Ltd.

Reason for the Selection of Candidate for Director

The above candidate has been engaged in management with a superior sense of balance for many years as a representative of the Aso Group, which operates wide range of businesses including medical, nursing care, education and IT businesses. Mr. Aso has contributed to the Board of Directors of the Company by giving objective advice on the Company's growth strategies and advice that helps further motivate persons responsible for business, in addition to his deep knowledge in the life care field, which is regarded as a growth sector by the Company. The Nomination Committee has nominated Mr. Aso as a Director candidate again this year, having determined that he would be able to execute management supervision in a fair and objective manner, given his capability as Director, not to mention that he is refreshingly frank, outspoken and straight. There were transactions between Aso Group (including Aso Corporation of which the candidate is representative) and the Company Group in the fiscal year 2012, however, the amount involved in the transaction represented less than 0.01% of the consolidated net sales of each Group. Moreover, nothing in connection with the candidate exists violating the independence requirement for a Director candidate provided for in the Basis for Election of Candidates for Directors set forth by the Nomination Committee of the Company.

Message to Shareholders from Candidate

I believe the strength of HOYA lies in the fact that: its medium and long-term strategies have been considered from a global perspective; it has already, to a certain degree, sowed the seeds, made preparations and laid the groundwork overseas where there is growth potential; and in mature domestic markets by demonstrating strong and decisive leadership aiming for its business consolidation, it is boosting its share through acquisitions and at the same time it is selling businesses to generate cash. I am committed to being of assistance to HOYA as an individual involved in life care business, in which HOYA is particularly seeking to put more effort.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
5	 **Yukako Uchinaga** (Born on Jul. 5, 1946) Candidate for Outside Director Number of shares of the Company held: 1,000 Shares New	Jul. 1971 Joined IBM Japan, Ltd. Apr. 1995 Director in charge of Asia Pacific Products of IBM Japan, Ltd. Apr. 2000 Managing Director and Head of Software Development Laboratory of IBM Japan, Ltd. Apr. 2004 Director and Corporate Senior Executive Vice President in charge of Development & Manufacturing of IBM Japan, Ltd. Apr. 2007 Technical Advisor to IBM Japan, Ltd. Jun. 2007 Director of Benesse Corporation Apr. 2008 Director and Vice Chairman of Benesse Corporation, Chairman of the Board, CEO, and President of Berlitz Corporation Oct. 2009 Director and Vice Chairman of Benesse Holdings, Inc. (present post) Apr. 2013 Honorary Chairman of the Board of Berlitz Corporation (present post) (Important position of other companies concurrently held) Director and Vice Chairman of Benesse Holdings, Inc. * Plan for retirement as of Jun. 22 2013. Honorary Chairman of the Board of Berlitz Corporation Outside Director of Sony Corporation Outside Director of Aeon Co., Ltd. Board Chairman of J-WIN (Japan Women's Innovative Network), Non-Profit Organization

Reason for the Selection of Candidate for Director

The above candidate is a pioneer of female executive officer as she was promoted to the first female director and later senior managing director of IBM Japan, Ltd. and then moved to CEO of Berlitz Corporation under the Benesse Holdings, Inc. and established a brand of a global personal education enterprise. The candidate has achieved superior results at the English language school at which Japanese management personnel are educated and trained so as to survive at global economic competitions. For many years the candidate devoted to assist and promote female activities in enterprises. The Nomination Committee has nominated her for a new Director candidate, since she would make a great contribution to personnel globalization, which is the most important issue of the Company's current management, and diversity management including that of female employees and officers. Moreover, nothing between the Benesse Group (including the candidate who came from the Benesse Group) and the Company Group exists violating the independence requirement for a Director candidate provided for in the "Basis for Election of Candidate for Directors" set forth by the Nomination Committee of the Company.

Message to Shareholders from Candidate

I believe that HOYA's strength is in the timely achievement of renovation of global business development and exercise of powerful initiative of market leadership with competitive edge. I would like to contribute to HOYA particularly in the area of strategic activation of IT, which supports an essential part for the global enterprise, and promotion of diversity in human resources especially as a first step with enhancing and utilizing female employees and officers.

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
6	 **Mitsudo Urano** (Born on Mar. 20, 1948) Candidate for Outside Director Number of shares of the Company held: 5,000 Shares New	Apr. 1971 Joined Nippon Reizo Kabushiki Kaisha (present Nichirei Corporation) Jun. 1999 Director and General Manager, Strategic Planning Division of Nichirei Corporation Jun. 2001 Representative Director and President of Nichirei Corporation Jan. 2005 Representative Director and President of Nichirei Corporation, and Representative Director and President of Nichirei Foods Inc. Apr. 2007 Representative Director and President of Nichirei Corporation, and Director and Chairman of Nichirei Foods Inc. Jun. 2007 Representative Director and Chairman of Nichirei Corporation (present post), and Director and Chairman of Nichirei Foods Inc. (present post) **(Important position of other companies concurrently held)** Representative Director and Chairman of Nichirei Corporation * Plan for retirement of the present post as of Jun. 25, 2013, to assume to be Senior Corporate Advisor of Nichirei Corporation. Director and Chairman of Nichirei Foods Inc. * Plan for retirement as of Jun. 18 2013. Outside Director of Mitsui Fudosan Co., Ltd. Outside Director of Yokogawa Electric Corporation Outside Corporate Auditor of NSD Co., Ltd. Outside Corporate Auditor of JX Holdings, Inc. Chairman of Agri Future Japan, General Incorporated Foundation President of the Central Society for Promoting the Industrial Education, Public Interest Incorporated Foundation
	Reason for the Selection of Candidate for Director The candidate focused on capital efficiency from the early stage in Nichirei Corporation, a leading Japanese refrigerated food company and developed efficient management through company separation and computerization. The candidate has, in particular, affluent experience and solid establishment on management utilizing information technology. The Nomination Committee has nominated him as the new Director candidate, since he would make a great contribution to enhance management efficiency and transparency through giving advice and proposal on various aspects of general management on the basis of high level of knowledge and affluent experience as a senior management in Nichirei Corporation, Outside Director of Mitsui Fudosan Co., Ltd., Outside Corporate Auditor of JX Holdings, Inc. and NSD Corporation, and many important roles in companies and public organizations. Moreover, nothing between the Nichirei Group (including the candidate who came from the Nichirei Group) and the Company Group exists violating the independence requirement for a Director candidate provided for in the “Basis for Election of Candidate for Directors” set forth by the Nomination Committee of the Company.	
	Message to Shareholders from Candidate I believe that duties of outside director lie on objectively and generally supervising management executed by executive officers from the viewpoint of how to enhance corporate value. I will particularly keep in mind that management would not be carried out only on the basis of internal logic. HOYA is a global enterprise which keeps on expanding its business activities. In the current world where globalization is accelerated it is not easy to secure the profitability and growth rate of HOYA Group. I sincerely make effort to fulfill my duties as the Outside Director based on my long experience gained through engaging in management of food industry.	

No	Name	Brief history, positions and assignments at the Company, and important position of other companies concurrently held
7	 **Hiroshi Suzuki** (Born on Aug. 31, 1958) Number of years in office of the Director of the Company: 20 Years Number of shares of the Company held: 942,080 Shares Number of attendances to the board meetings: 10/10 times (100%)	Apr. 1985 Joined the Company Jun. 1993 Director of the Company Jun. 1997 Managing Director of the Company Apr. 1999 Managing Director of the Company, President of Electro Optics Company Jun. 1999 Executive Managing Director of the Company Jun. 2000 President and Representative Director of the Company Jun. 2003 Director, President & CEO of the Company (present post) Dec. 2011 Chief Representative of Singapore Branch of the Company (present post)

Reason for the Selection of Candidate for Director

The above candidate serves as the driving force of the management of the HOYA Group as President & CEO and Director, and gives appropriate explanations and reports on strategies based on portfolio management at the meetings of the Board of Directors. Mr. Suzuki also supervises the performance of duties by other executive officers, and adequately fulfills his role as Executive Officer and Director. The Nomination Committee has nominated Mr. Suzuki as a candidate for Director again this year, in consideration of his achievement as Director to date.

Message to Shareholders from Candidate

HOYA is managed based on a mechanism in which each Strategic Business Unit (SBU) formulates and executes its own business strategies. Accordingly, it is my understanding that the role of CEO is to execute portfolio management of the HOYA Group as a whole in view of the continuity of the company as a matter of top priority. I am committed to steering HOYA steadily to attain long-term growth, amid the rise of emerging countries, the economic crises in U.S. and Europe and other dramatic changes in the global environment.

(Notes) 1. No candidate has any relationship of special interest with the Company.

2. Reasons for the selection of candidates for the posts of Outside Directors
In 2003, the Company adopted "company-with-committees" management system. The Company set up three committees, namely the Nomination Committee, Compensation Committee and Audit Committee, with the aim of securing management transparency and fairness and reinforcing supervisory functions. At the same time, the Company carried out a substantial transfer of authority from the Board of Directors to Executive Officers to put in place a system that enables speedy and efficient management by Executive Officers. Outside Directors must comprise a majority at each of the three committees. The Articles of Incorporation of the Company prescribe that half or more of its Directors must be Outside Directors, for the purpose of ensuring fairness. At present, five of the seven Directors of the Company are Outside Directors. Reason for the selection of the Outside Directors each candidate is described to each candidate.

3. Years since appointment as Outside Directors of the Company (up to the close of this General Meeting of Shareholders) are described to each candidate.

4. The Company and the four candidates for reappointment as Outside Director have concluded an agreement that limits liabilities for damages prescribed in Paragraph 1, Article 423 of the Companies Act to the higher of 10 million yen or the prefixed amount set by Article 425 of the Companies Act.. When the reappointment of each person is approved and passed, the liability limitation contract for the previous term will be continued. Furthermore, if and when Ms. Uchinaga and Mr. Urano are elected as Directors, the Company plans to enter into the similar agreements with each of them.

5. The candidates for Outside Director not only meet the conditions for outside directors stipulated by the Companies Act but also meet the "Basis for Election of Candidates for Directors" that the Nomination Committee has set out as standards to ensure the independence of candidates for Outside Directors. The requirement of the Company is more stringent than that of the Tokyo Stock Exchange's rules and regulations. Therefore, the Nomination Committee has determined that the candidate is sufficiently endowed with independence as an Outside Director.

(Reference)

The Company sets forth "Basis for Election of Candidates for Directors" to ensure the independence of candidates for Outside Directors and the candidates must not fall under any of the categories below.

<Those related to the HOYA Group>
- Those who previously worked for the HOYA Group
- Those who have a family member (spouse, child or blood relatives or in-laws up to the second degree) who have held the position of a director, executive officer, corporate auditor or management employee in the past 5 years.

<Those related to a big business partner>
- Those who are operating officers, executive officers or employees of HOYA Group's important clients who make up 2% or more of HOYA's consolidated sales in the past 3 consecutive years; or if the HOYA Group is an important client who makes up 2% or more of the consolidated sales of the candidate's enterprise group in the past 3 consecutive years.

<Those who provide professional services (lawyers, chartered accountants, certified tax accountants, patent attorneys, judicial scriveners and those in similar professions.)>
- Those who have received remuneration of 5 million yen or more per year from the HOYA Group in the past two years.

<Other categories>
- When directors are mutually assumed between HOYA and other companies or organizations
- If the candidate's company has any other important interests within the HOYA Group

<Matters proposed by shareholders (Propositions No. 2 to No. 10)>

Counter-opinions by the Board of Directors against the shareholders' proposals

Propositions No. 2 to No. 9 of the shareholder's proposals are proposals to amend the Articles of Incorporation and Proposition No. 10 of the shareholder's proposals is election of one director. Many proposals to amend the Articles of Incorporation are about corporate governance, however, the Board of Directors believes that each proposal is unnecessary to be enshrined in the Articles of Incorporation because of the fact that it is similar or overlapping with what the Company already put in practice, or each proposal is against shareholders' benefit and does not contribute to improve the Company's corporate value and common interest of shareholders.

The Company recognizes corporate governance as one of matters of the utmost importance for management in the light of enhancing the corporate value of the Company; therefore, the Company elected Outside Directors and adopted the governance model based on the company-with-committees system from an early stage. Moreover, the Board of Director formulated the guideline of corporate governance and review it consistently in order to implement better systems of governance.

On the other hand, the Articles of Incorporation are equivalent to the Constitution of the Company to provide the basic principle and the Board of Directors believes that specific systems and matters responding to changing social conditions must be decided by the Board of Directors to ensure the prompt and flexible management of the Company. For the above reasons, the Board of Directors is opposed to all of the shareholders' proposals below.

Please note that the reasons opposing to the shareholders' each proposal are given after each proposition.

<Matters proposed by shareholders (Propositions No. 2 to No. 9)>

Propositions No. 2 to No. 9 are proposals made by five individual shareholders.

The number of voting rights of the proposing shareholders is 707 (representing 0.016% of all voting rights).

Proposition No. 2 Partial amendment to the Articles of Incorporation (Individual disclosure of remunerations to Directors and Executive Officers)

Outline of Proposition: It is proposed that an Article that reads as follows be added to the Articles of Incorporation: "The amounts and specifics of remuneration paid to Executive Officers and Directors must be disclosed individually in the business report and financial statements every year, and all of the disclosed amounts must be individually evaluated on a yen basis for the disclosure."

Reason for the proposal: Disclosing the amounts and specifics of remuneration paid to each of the Officers will be extremely important for shareholders when they check whether or not the remuneration paid to the Officers is appropriate with a view to maximizing the shareholders' benefits. In capital markets in developed countries other than Japan, individual disclosure of remuneration is a matter of course. This has not caused any inconveniences for the investors, and the indexes of those capital markets have created significantly higher return than Japan's indexes such as Nikkei Stock Average for the past 20 years. The real issue is not a large amount of remuneration but the remuneration structure is completely unrelated to a medium-to long-term value of the shares, which is a really problem. For example, the share prices of the Company have been slumping since 2000 in which Mr. Hiroshi Suzuki became the Representative Director, however, the Company should have hired another talented business manager with even the payment of yearly 300 million yen as remuneration if he has capability to improve the value of shares of the Company (the proposers recommend to hire Mr. Michael C. Woodford). If individual amounts of remuneration were disclosed it would be possible to make amounts of remuneration of each Director changed appropriately. In addition, this proposition has obtained 48.47% support at the general meeting of shareholders in 2011 with support from primary shareholder(s), and recommendation to support from proxy voting advisors such as ISS and Glass Lewis & Co.

Opinion of the Board of Directors about the Proposition No. 2

The Compensation Committee developed the remuneration policy to strengthen incentives of Executive Officers and Directors with a view to improving the corporate value of the Company. Specific calculation method and the benchmarking criteria are described in this convocation notice (p. 43). In Japan, there are no rules about disclosure of individual remuneration by laws and regulations, except the Cabinet Office Ordinance of the Financial Instruments and Exchange Act which requires companies to disclose the individual amount of remuneration paid to executive officers who receive a total amount of 100 million yen (approx. 1 million USD) or over as remuneration in an annual securities report, however, the Company voluntarily discloses the individual amount of remuneration paid to CEO regardless of how much the amount is in the convocation notice. The Board of Directors believes that clarifying the Company's policy, calculation method and the benchmarking criteria of remuneration enhances the transparency about remuneration, rather than disclosing individual amount of remuneration as this proposition; therefore, the Board of Directors is opposed to this proposition.

Proposition No. 3 Partial amendment to the Articles of Incorporation (Amendment to increase to 1,000 characters the volume of explanatory text permitted for shareholders' propositions)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "In case where shareholders submit a proposition at a general meeting of shareholders, the reason for the proposal to be printed in the reference materials for the general meeting of shareholders or the convocation notice should be printed exactly the same as description of shareholders' proposition, in principle, if it is within 1,000 characters, and one-sided falsification and summary should not be made by the Board of Directors."

Reason for the proposal: The purpose of informing outline of propositions and reasons for the proposals to shareholders are to make proposed propositions and their reasons known to general shareholders, to enable general shareholders to prepare for each meeting, to disclose the Company's opinion at each meeting, and to provide general shareholders with opportunities to substantially exercise their voting rights at each meeting. The reasons for the proposal should be provided in at least 1,000 characters. While the Company says that it treats shareholders as important on the surface, there have been such problems that the Company edits and compress in one-sided manner shareholders' propositions which are unfavorable to the management of the Company. In fact, lawsuits have been filed against the Company and its directors for revocation of resolution of the general meeting of shareholders or palimony, because of such problematic edition or compression of shareholder's proposal. At the general meeting of shareholders' meeting in 2010, a shareholder made a proposition that the Articles of Incorporation shall be amended to increase the maximum number of words of shareholders' proposition up to 4,000 words, which was supported by ISS, Glass Lewis & Co., Japan Proxy and other major institutional investors (holding 43.18%). For example, if a shareholder states in an opposing proposition against the Company's proposition for appointment of Directors that "This Company has a problem among others specially in management of technologies such as the acquisition of Pentax and the withdrawal of the research of "Organic EL," and wishes to state more, the shareholder cannot do so by practically limited to 400 characters.

Opinion of the Board of Directors about the Proposition No. 3

The Company does not set any limit on the number of letters that can be used in each reason for the proposal. However, pursuant to Article 93 of the Ordinance for Enforcement of the Companies Act, the Company may, (i) remove the relevant portions from a reason for the proposal if such reason includes portions that are obviously false, or defame or have the purpose of insulting another person, or (ii) summarize a reason for the proposal if it contains too many words, codes and others to be put on a reason for the proposal. The Board of Directors is opposed to include such provision in the Article of Incorporation. The lawsuits referred to in the second sentence of the stated reason above have been actually filed by one of the shareholders who made this proposition, and the Company is in the position that all complaints are groundless and therefore argues against them.

Proposition No. 4 Partial amendment to the Articles of Incorporation (Prohibition to treat a submitted voting form left blank as affirmative to Company's proposal and dissenting to shareholder's proposal)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "A submitted voting form left blank without indication of approval or disapproval ("blank vote") must be treated as abstention and must not be treated inequitably between Company's proposal and shareholder's proposal."

Reasons for the proposal: "A submitted voting form left blank without indication of approval or disapproval is treated as dissenting to shareholder's proposal and affirmative to Company's proposal at a general meeting of shareholders of the Company. However, there are not any reasonable grounds to treat differently and this is unfair as a method to pass a resolution. For example, in respect to the proposition of election of Directors at the general meeting of shareholders in 2010, the Company's proposal and shareholder's proposal were treated opposing proposition, while the vote which is affirmative vote to shareholder's proposal and blank vote to the Company's proposal was treated as affirmative to the Company's proposal. The irrational situation occurred that this vote was affirmative to both proposals and treated abstention about this proposition. Blank votes must be treated as abstention about the proposition which is whether Company's proposal or shareholder's proposal, because the real voting intent of the shareholder is not clear. Moreover, the proposition which is the same meaning as this proposition was supported and recommended by ISS, a proxy voting advisor and had the approval of representing 37.65% of all voting rights at the general meeting of shareholders in 2011, and accordingly the Board of Directors should not continue to ignore shareholders' intentions to this shareholder's proposal which gained a great deal of approval any longer.

Opinion of the Board of Directors about the Proposition No. 4

Treatment of a blank vote for a Company's proposal as approval and disapproval for a shareholder's proposal is not only authorized by law and judicial precedents, but also is recognized a fairly standard practice followed by listed companies in Japan. Most of the voting forms without indication of approval or disapproval (blank vote) which are sent back to the Company from shareholders leave all propositions blank without marking approval or disapproval to any of the propositions. It can be rationally considered that the shareholder entrusted the decision to the Company by submitting a voting form to the Company who prepared and sent the form to shareholders. Treating such returned voting form as "abstain" does not correctly reflect the shareholder's intention, therefore, the Board of Directors are opposed to this proposition.

Proposition No. 5 Partial amendment to the Articles of Incorporation (Obligation to hold meetings not involving Executive Officers)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "The Board of Directors must hold a management meeting of Outside Directors which is not attended by any Executive Officers, at least once a year, and must report the activities of such meetings to shareholders at least once a year."

Reason for the proposal: The Board of Directors of the Company consists of Outside Directors who were invited by the management team, who receive a large amount of remuneration compared to the number of hours they dedicate, and who mostly agree with the management team as their "yes-men" based on the information provided by senior managers reporting to the Executive Officers. A magazine pointed out that "they serve only to allow the management team to justify its decisions on the ground of Outside Directors' approval" (*'Itsuwari no Beikoku-ryu' de kussetsu suru* HOYA *'oyako-daka' keiei"*; "The 'Father-and-Son' Management: Perverse management of HOYA by 'Sham American Style"), January Issue of *ZAITEN*, 2010). In the Company, no significant increase in shareholder value has been seen in the last 13 years. The proposers propose to have discussions by holding regular management meetings of independent Outside Directors that are not attended by Executive Officers to change this situation (For example, this measure is recommended in the principles of corporate governance of California Public Employees' Retirement System.). It is said that if a company only holds meetings attended by its Representative Executive Officer, it psychologically becomes difficult to dismiss the Representative Executive Officer or to point out problems. Moreover, the proposition which is the same meaning as this proposition was supported and recommended by ISS and had the approval of representing 33.91% of all voting rights at the general meeting of shareholders in 2010, however, it is not a fact that the Company "revised the Company's regulation to reflect the point of this proposition in an appropriate manner."

Opinion of the Board of Directors about the Proposition No. 5

Each Committee of the Company consists of Outside Directors, and Directors who concurrently has position of Executive Officers are not the member of any of the Committees. Executive Officers sometimes attend to meetings of Committees as information providers, however, even in this case Executive Officers cannot influence resolutions legally and do not influence resolutions in practice. The Nomination Committee's rule stipulates to hold a meeting not involving Executive Officers even if they are information providers at least once a year. Accordingly, the Board of Directors believes that the matter described in the proposition No. 5 has already been put in practice in the Company and it is not necessary to add this provision to the Articles of Incorporation; therefore, the Board of Directors is opposed to this proposal.

Proposition No. 6 Partial amendment to the Articles of Incorporation (Separation of roles of Chairman of the Board and CEO)

Outline of Proposition: It is proposed that an Article that reads as follows be added to the Articles of Incorporation: "Concurrent holding of the position of the Chairman of the Board of Directors and the position of the Chief Executive Officer is in principle prohibited, and the position of the Chairman of the Board of Directors must be held by an Outside Director; and in case of the exception, the Company must explain the reason that the concurrent holding of the positions is the maximum benefit to the shareholders in writing in its disclosure material and must appoint "a leading Outside Director" instead."

Reason for the proposal: Because the Chief Executive Officer possesses strong power over the Company's internal resources and personnel matters and thus should be positioned as the subject of closest supervision. The concurrent holding of the position of the Chairman of the Board of Directors should be avoided as much as possible because it would be against the international direction strengthening corporate governance. The Chairman of the Board of Directors should set forth agenda for the Board of Directors meetings and each Committee, and also draft opinions of the Board of Directors to be presented at the general meeting of shareholders because the Chairman of the Board of Directors who should be more independent from Executive Officers than other directors and who is required to supervise the Company to the full extent. The outline of this proposition is standard understanding by corporate governance researchers and practitioners in North America (p. 177 of Tadashi Ono's "CFA Examination Preparation Handbook-Level II, second paragraph of "Corporate Governance-Related Check Points Regarding the Board of Directors from Shareholders' Perspective") and the concept of "leading Outside Director" is widely known. This proposition was supported by shareholders (31.11%) at the general meeting of shareholders in 2011.

Opinion of the Board of Directors about the Proposition No. 6

The Articles of Incorporation of the Company requires a Chairman of the Board of Directors (Chairman) to be elected by the resolution of the Board of Directors and accordingly, no provisions prevent an independent Outside Director from being elected as a Chairman of the Board. At present, the Company's CEO concurrently chair the Board of Directors, however, under the laws and judicial precedence, if there were any special conflicts of interest between CEO and an agenda, even CEO may not participate in the voting of the proposition and in addition the chairman is required to be changed. Furthermore, the Board believes that there is a possibility of restricting appropriate and flexible operation of the Board with the enshrinement of the requirement of electing "a leading Outside Director" whose context and duties are not clearly defined in the Articles of Incorporation. Accordingly, the Board of Directors is opposed to this proposition.

Proposition No. 7 Partial Amendment to the Articles of Incorporation (Establishment of a contact point within the Audit Committee for whistle-blowing)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "The Company must have a contact point within the Audit Committee for whistle-blowing on misconduct by the Executive Officers from within and outside the Company, and make announcement within and outside the Company. Executive Officers and employees under the control of Executive Officers shall not engage in the whistle-blowing process except for clerical work for record keeping"

Reason for the proposal: Corporate scandals involving representative executive officers and directors tend to be more serious in terms of monetary amount such as in cases of Olympus and Daio Paper Corporation. At a company with committees, the mechanism is to have a committee comprised of outside directors in the majority to supervise the executive officers. However, we have heard nothing that Outside Directors ever made any statement against the Representative Executive Officer. In connection with litigation relating to shareholders' rights, Outside Directors actually elected lawyers common to the lawyers who had already been elected by Executive Officers, and accordingly, shareholders cannot use the lawyers of Outside Directors as haven. HOYA Help Line, which is the contact point for whistle-blowing, informs Executive Officers and management personnel under their control about whistle-blowing, hence it has become obvious that the system does not work to prevent misconduct by the Chief Executive Officer and also there is no effective contact to report misconduct of employees who report to Executive Officers. The proposition to the same effect as this proposition was supported by ISS, a proxy voting advisor and shareholders (31.1%) of the Company in 2011.

Opinion of the Board of Directors about Proposition No. 7

The Company has a contact point for whistle-blowing, "HOYA Help Line," to receive reports and give advice, as part of the internal control system since 2003. In this system, an exceptional situation where the Executive Officers are the subject of the report, it is stipulated that the Chairman of the Audit Committee and those appointed by him/her take command of the situation, therefore the Audit Committee's function to monitor Executive Officers is already secured. The aforesaid "HOYA Help Line" is stated in the Corporate Governance Guideline (URL: http://www.hoya.co.jp/english/company/company_04.html). Accordingly, we believe it is not necessary repeatedly to add the proposed provision to the Articles of Incorporation. Accordingly, the Board of Directors is opposed to this proposition.

Proposition No. 8 Partial amendment to the Articles of Incorporation (Retaining of legal counsel to the Board of Directors)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "The Board of Directors must retain its own legal counsel who is different from the one retained by the Executive Officers."

Reason for the proposal: While it is said that companies with committees are normally superior to companies with corporate auditors in terms of corporate governance, there are experimental studies that show that the share prices of companies with committees are not faring as well in Japan. The Company adopted the system of a company with committees in 2003, following which share price of the Company remains stagnant. Distrust against supervising capability by Directors lies on the background of slump in share prices. The Board of Directors should supervise the management conducted by Executive Officers. However, in the event that legal counsel to the Executive Officers and legal counsel to the Board of Directors are the same, for example, if illegality of the management were an issue, it would be difficult for the Board of Directors to appropriately check the legality. If both must always appoint different legal counsel, different opinions of the legal counsel to the Board of Directors and the legal counsel to the Executive Officers will be made clear at the meeting of the Board of Directors, which would facilitate to enhance supervising capability of the Board of Directors and would also benefit the Company with much lower costs and expenses compared with a case in which the Company disputes with third party at the court. Retaining different legal counsel is recommended in the standard text books in the North America for a company with committees, in reference of which the system of a company with committees was legally adopted to legislation in Japan. The proposition to the same effect as this proposition was supported by ISS, a proxy voting advisor and shareholders (26.08%) of the Company at the general meeting of shareholders in 2011.

Opinion of the Board of Directors about Proposition No. 8

Since each Director comprising the Board of Directors has the duty to exercise due care of a prudent manager, it is a matter of course for the Board to appoint its own legal counsel if necessary for the performance of its duties. Accordingly, we believe that it is not necessary to add this provision to the Articles of Incorporation. Furthermore, the details of the Committee's duties are specifically stated in the Corporate Governance Guideline (URL: http://www.hoya.co.jp/english/company/company_04.html).

Proposition No. 9 Partial Amendment to the Articles of Incorporation (Allocation of committee budget that may be used without the approval of the Executive Officers)

Outline of Proposition: It is proposed that an Article which reads as follows be added to the Articles of Incorporation: "The Board of Directors must allocate a budget to the Nomination, the Audit and the Compensation Committees, enabling them to employ an independent third-party consultant without the approval of the Executive Officers."

Reason for the proposal: While the Outside Directors have powerful authorities in a company with committees, they are often deceptively persuaded by the Executive Officers. This is attributable to the fact that the Outside Directors rely on information provided mainly by the Executive Officers, in making most of their decisions. A measure necessary to address this situation is for each of the Nomination, the Compensation and the Audit Committees to be able to hire a consultant to perform relevant monitoring services based on authorities and budget independent of those for the monitoring of the Executive Officers. This is a governance principle recommended by institutional investors including CalPERS (California Public Employees' Retirement System). The Company has not gained fruitful results from new business development and on the contrary share price of the Company remain stagnant due to an acquisition of Pentax and a sale of media business. Mid- and long-term corporate value was substantially deteriorated. If the Board of Directors which has supervising function had retained independent consultants, Executive Officers who did not have accumulated technological management would have been removed and young capable professional managers would have been appointed. The proposition to the same effect as this proposition was supported by ISS, a proxy voting advisor and shareholders (25.32%) of the Company at the general meeting of shareholders in 2011.

Opinion of the Board of Directors about Proposition No. 9

In the event that a member of a Committee expended expenses in connection with performing duties, he or she has a claim to the Company for reimbursement and the Companies Act provides that the Company must reimburse the expenses to the member of the Committee unless it is proved the expenditure is unnecessary for performing the duties. Furthermore, the expenses incurred in connection with the Committees' activities are specifically stated in the Corporate Governance Guideline (URL:

http://www.hoya.co.jp/english/company/company_04.html). Accordingly, we believe that it is not necessary to add this provision to the Articles of Incorporation.

<Matters Proposed by shareholders (Propositions No. 10)>

Proposition No.10 is proposals made by four individual shareholders.

The number of voting rights of the proposing shareholders is 706 (representing 0.016% of all voting rights).

Proposition No. 10 Election of One (1) Director

Outline of Proposition: In the light of improving the corporate governance Outside Director shall be elected independent from the Nomination Committee. The candidate and his resume are shown below. The proposers have obtained consent from him to assume the office of Outside Director.

Name: Seijiro Takayama

Birthday: January 21, 1939

Resume: April 1968, registered as lawyer (Tokyo Bar Association)

1980, Managing Director of the Japan Federation of Bar Associations, Managing Director of Legal Aid Society Foundation. Engaged in legal counsel for many companies, including listed companies as lawyer, and known as senior lawyer in the law firm to which Mr. Yukio Edano, ex. Minister of economy, trade and industry, democratic party, and Ms. Masako Mori, present Minister of state for measures for declining birthrate, liberal democratic party once belonged.

Reason for the proposal: Mr. Takeo Shiina (who came from IBM Japan) who had been connected with Mr. Tetsuo Suzuki, Honorable Chairman, had been the Chairman of the Nomination Committee of the Company for many years. The reason why share price of the Company had been in slump following the adoption of the system of a company with committees indicated an unsuccessful policy by which Executive Officers were elected. As a result of selecting Outside Directors from among persons connected with Mr. Shiina, abnormal situations continue in the Company against common sense such as directors in late seventies constituting the main stream. It is pointed out that IBM Japan guided Olympus for illegal accounting ("IBM Japan gave Olympus wicked advice" FACTA November 2012). IBM Japan has in itself a problem in corporate culture and it is necessary to appoint at least one (1) Outside Director who is independent from the Outside Directors who were virtually selected by Mr. Shiina from IBM Japan so that he could advocate at the Board of Directors to stop illegal actions to continue and to stop actions against public order or good morals being left uncorrected. Mr. Seijiro Takayama has connection with the political circle and is a lawyer therefore he is qualified as a candidate.

Opinion of the Board of Directors about Proposition No. 10

We understand that candidate Mr. Takayama is father of one of the proposers. The Board of Directors of the Company believes that the team to be established following the approval of Proposition No. 1 relating to candidates for Directors as explained for the proposition No. 1 is the best and sufficient team of Directors for the Company. Furthermore, we understand that the statement relating to IBM Japan has in itself no relation to the Company and the allegation is totally baseless and lacks any factual proof.

Business Report An attachment to the Notice of the 75th Ordinary General Meeting of Shareholders (From April 1, 2012 to March 31, 2013)

Matters Relating to the Present State of the HOYA Group

Business Development and Results

Progression and result of businesses

■ General Overview:

As of March 31, 2013, the HOYA Group consisted of the HOYA CORPORATION, 101 consolidated subsidiaries (6 of which are domestic and 95 overseas) and 8 affiliates (4 of which are Japanese and the other 4 overseas).

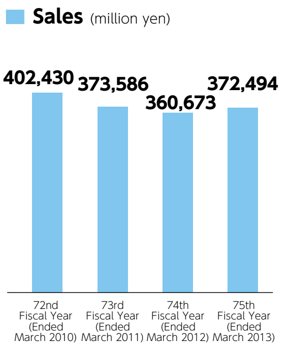
The HOYA Group is operated and managed through global consolidated group management. The independent management teams of business segments, including Information Technology, and Life Care, are responsible for executing management strategies.

Regional headquarters in America, Europe and Asia support business operations by strengthening relationships with countries and areas in the respective regions, such as by providing legal support and conducting internal audits. In particular, the HOYA Group has its Financial Head Quarters (FHQ) in the Netherlands.

<Adoption of the International Financial Reporting Standards>

Beginning with the 73rd fiscal year, the HOYA Group has prepared its consolidated financial statements and other documents in compliance with the International Financial Reporting Standards (IFRS) pursuant to the first paragraph, Article 120 of the Ordinance on Accounting of Companies. With respect to reportable segments presented in the overview of operation by business category, the HOYA Group divides its business into three reportable segments, based on IFRS. These segments are Information Technology, Life Care, and Other Businesses.

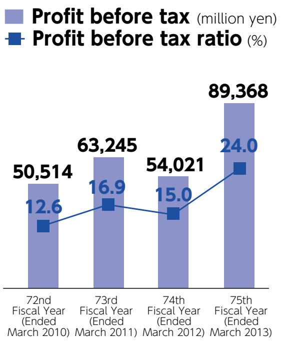
The Information Technology segment handles electronics related products such as semiconductors, liquid crystals and hard disk drives (HDDs), and imaging related products such as digital camera lenses. The Life Care segment deals in health care related products such as eyeglass lenses and contact lenses, as well as medical related products such as intraocular lenses and endoscopes. The Other Businesses segment offers mainly information system services.



<Sales>

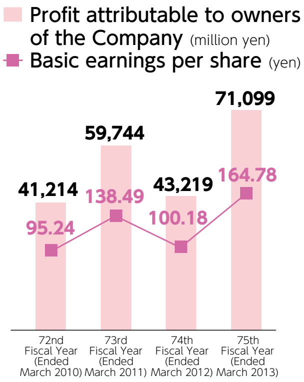
During the current consolidated fiscal year, on the whole a sense of slowdown spread due to global repercussions of the prolonged financial concerns in Europe and the sluggish growth in China and other emerging countries.

In Japan, despite continuing restoration demand in the wake of the Great East Japan Earthquake, exports continued to decrease as a result of the strong Japanese yen and the slowdown in the overseas economies. Meanwhile, since the new administration took over in December 2012, the Japanese yen has plunged and stock prices have risen steeply due to mounting expectations for new economic policies and monetary easing.



Under such circumstances, the Information Technology segment reported a decrease in both sales and profits from the preceding consolidated fiscal year reflecting the shift in demand from laptop computers and compact digital cameras etc, the major end products using the Company's products, to other products, namely smart phones. The Life Care segment, on the other hand, reported an increase in both sales and profits from the preceding consolidated fiscal year, due to various factors including recovery from the effects of the massive flooding in Thailand, increased sales by a new consolidated subsidiary and the reporting of insurance income.

As a result, sales of continuing operations for the current fiscal year amounted to 372,494 million yen, a 3.3% increase year on year.



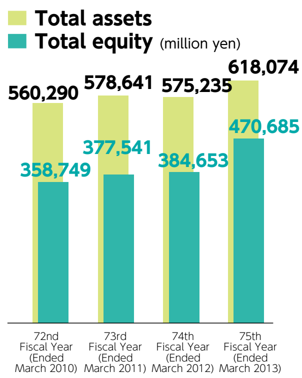
<Profit>

From continuing operations, profit before tax significantly increased by 65.4% year on year to 89,368 million yen, and profit for the year also jumped by 79.0% to 71,242 million yen year on year. This is because the followings were recorded; a) the insurance income of 32,187 million yen from the insurance on fixed assets and profits which were damaged by the flooding in Thailand and b) the gains related to the phased acquisition of subsidiary's shares of 2,238 million yen following the acquisition of additional shares in Optotal Hoya LIMITADA (former Optotal Hoya S.A.), an affiliated company in the manufacture and sale of eyeglass lenses which became a consolidated subsidiary as a result.

The ratio of profit before tax was 24.0%, a 9.0 percentage point increase over the preceding consolidated fiscal year's 15.0%.

Sales of the all operations of HOYA Group, including discontinued operations, fell 1.2% to 372,494 million yen from the preceding consolidated fiscal year, as the amount of 376,940 million yen for the previous year included the Imaging System Business, which was transferred on October 1, 2011.

The profit figures for the all operations of HOYA Group, including discontinued operations, were a profit before tax of 89,368 million yen, and a profit for the year of 71,242 million yen. These profit figures represented an increase of 52.7% and 66.9%, respectively, over the preceding consolidated fiscal year, in part because of the gain of the large insurance payout from the flood damage in Thailand in the preceding consolidated fiscal year as stated above.



<Financial Position>
Total assets at the end of the current consolidated fiscal year increased by 42,839 million yen, or 7.4 % year on year, to 618,074 million yen.

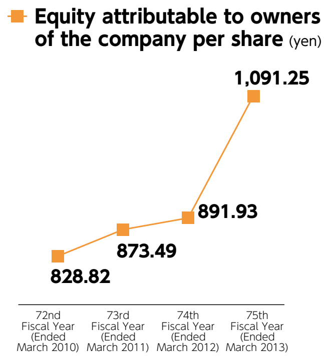
Non-current assets increased by 24,357 million yen year on year, to 195,917 million yen.

Current assets increased by 18,483 million yen year on year, to 422,157 million yen. The increase was primarily due to a rise in cash and cash equivalents by 44,124 million yen, and a 38,062 million yen decrease in other short-term financial assets due to the redemption of corporate bonds.

Liabilities amounted to 147,389 million yen, a 43,193 million yen decrease from the levels of a year earlier. This was due to the redemption of corporate bonds as noted above.

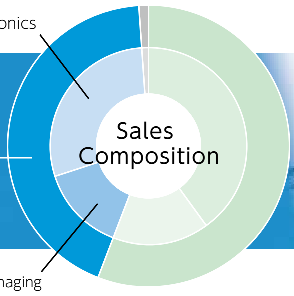
Total equity increased by 86,032 million yen year on year, to 470,685 million yen, partly due to a 43,055 million yen increase in retained earnings. Equity attributable to owners of the Company, which is obtained by deducting non-controlling interest in equity from total equity, amounted to 470,872 million yen, improving the ratio of equity attributable to equity holders of the parent by 9.3 point from 66.9% in the preceding consolidated fiscal year to 76.2%.

The breakdown of changes in retained earnings is as presented later in this report in the section for Consolidated Statement of Changes in Equity.



Information Technology

43%

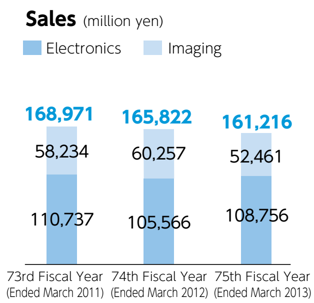


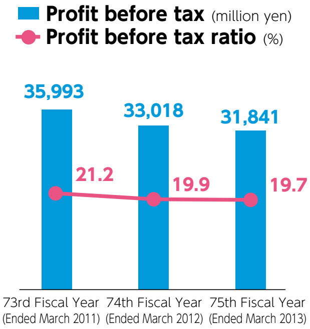
Outline of consolidated results by business segment

Electronics related products

Sales of semiconductors declined from the preceding consolidated fiscal year as result of the effects of special demand stemming from the Great East Japan Earthquake on the semiconductor market in the previous year, in addition to the weakening of the semiconductor industry overall. Meanwhile, demand for small- and medium-sized photomasks for mobile phones was strong while demand for large photomasks for televisions was sluggish for the full year despite recovering somewhat in the 4th quarter. Consequently, sales of liquid crystal-related products declined from the preceding consolidated fiscal year.

In contrast, sales of glass disks (substrates) for HDDs increased from the preceding consolidated fiscal year due to the rise in the selling unit price after the Thai flood in the first half of the year as well as the weakening of the Japanese yen from the end of the year, despite the decline in shipment volumes in the second half of the year, reflecting the shift in demand from laptop computers to other products such as tablets and smart phones.

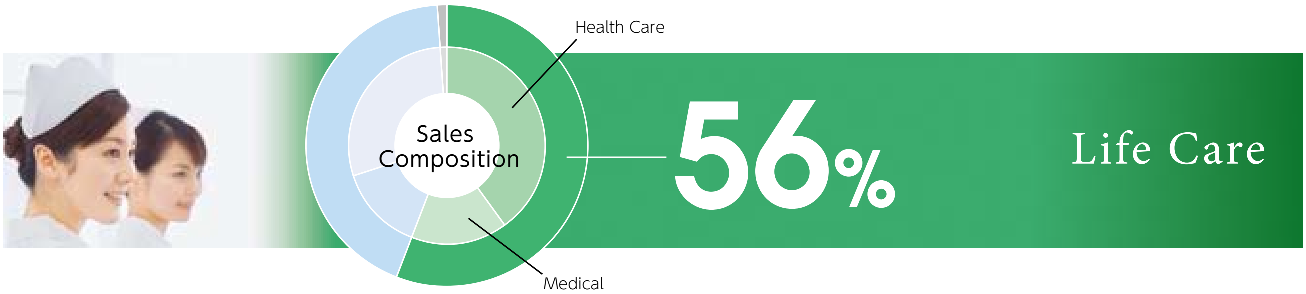




Imaging related products

The market for lenses for digital cameras continues to shrink due to the shift in demand for smart phones. While performing strongly in the first half of the year, sales of interchangeable lenses dropped sharply in the second half of the year. As a result, sales of imaging-related products declined from the preceding consolidated fiscal year.

As a result, the Information Technology segment of continuing operations posted sales of 161,216 million yen, a 2.8% decrease over the preceding consolidated fiscal year. The segment profit (profit before tax) decreased by 3.6% year on year, to 31,841 million yen.

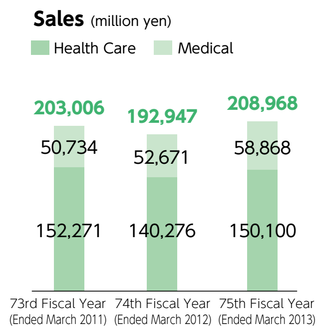


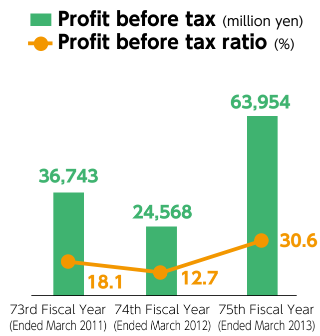
Outline of consolidated results by business segment

Health Care related Products

Sales of eyeglass lenses have been on a recovery trend, thanks to the resumption of operations from April 2012 of the Group's major plant, which had suspended production due to the massive flooding in Thailand in October 2011. Additionally, the new consolidated subsidiary, Optotal Hoya LIMITADA (former Optotal Hoya S.A.) and the effects of the business transfer from Seiko Epson Corp. have also contributed to the increase in sales over the preceding consolidated fiscal year. On the other hand, the following two items were posted to the profit before tax: a) the insurance income for the flood damages in Thailand and b) the gains related to the phased acquisition following the purchase of additional shares of the affiliated company.

Sales of contact lenses grew year on year, thanks to an increase in the number of customers visiting directly-managed stores, a sales expansion of products with high added value, and the sales volume expansion attributable to an increase in the number of stores resulting from the aggressive opening of new stores.





Medical related Products

Increase in sales was reported for medical endoscopes, thanks to increased sales in the emerging markets including Russia and the Middle East and the markets of Asia and Oceania, in addition to the weak Japanese yen from December 2012.

As for intraocular lenses (IOL), soft lenses had been performing strong, however, supply of some products was suspended in response to the reporting of the cases where intraocular and other inflammation exceeding certain ratios were reported. As an additional measure, the Company conducted a voluntary recall of said products, which resulted in a decrease in sales compared to the preceding consolidated fiscal year. Please accept our sincere apologies for all those affected by the considerable anxiety and inconvenience caused.

As a result, the Life Care segment reported sales of 208,968 million yen, an 8.3% increase over the preceding consolidated fiscal year. The segment profit before tax was 63,954 million yen, up by 2.6 times from the preceding consolidated fiscal year.

Overview of Capital Expenditures

The total capital expenditures of all operations of the HOYA Group amounted to 45,011 million yen during the consolidated fiscal year under review, an increase of 11,826 million yen over the preceding consolidated fiscal year.

In the consolidated fiscal year under review, investment in the Information Technology business amounted to 24,771 million yen and investment in the Life Care business amounted to 20,018 million yen, which account for 55.0% and 44.5%, respectively, of the total investment by the Group.

The investment was funded with internally generated funds.

In the background of this significant increase in capital expenditures in the current consolidated fiscal year was the establishment of new overseas plants for the Information Technology business, following a greater need to have multiple manufacturing sites from the viewpoint of risk dispersion after the Great East Japan Earthquake that struck on March 11, 2011.

Furthermore, the massive flooding that occurred in Thailand in October 2011 submerged HOYA’s main production site for eyeglass lenses and forced it to suspend operations. Consequently, HOYA was forced to enhance production capacity of the Group's factories in other countries and areas as alternative production sites, as well as to completely replace the manufacturing facilities in the Thai plants.

Category	73rd Fiscal Year (Ended March 2011)	74th Fiscal Year (Ended March 2012)	75th Fiscal Year (Ended March 2013)
Capital Expenditures (million yen)	38,488	33,185	45,011

Financing

There are no relevant items.

Corporate Reorganizations, etc.

Conclusion of an agreement on transfer of eyeglass lens manufacture business and alliance in marketing

On November 16, 2012, HOYA Corporation concluded an agreement with Seiko Epson Corporation to transfer Seiko Epson's eyeglass lens development and manufacture business to HOYA, and on February 1, 2013, executed the transfer of the business as planned.

At the same time, HOYA concluded an agreement with Seiko Holdings Corporation (hereinafter referred to as “Seiko”), with the aim of a global strategic alliance in the marketing business of eyewear-related products between the two companies, to acquire 30% of the shares in Seiko Optical Products Co., Ltd. which engages in the said business as a wholly-owned subsidiary of Seiko Holdings, on February 1, 2013 and an additional 20% on March 31, 2014.

However, this share transfer was postponed beyond the original schedule of February 1, 2013 because the antitrust authorities of the People's Republic of China required more time than anticipated to review the matter. In the end, HOYA and Seiko have recently agreed to settle the transfer effective on June 1, 2013 after completion of the review.

This will bring together the expertise of the three companies for developing, producing and marketing eyeglass lenses and eyewear-related products, which has been accumulated separately, and we will endeavor to enhance the products and services to satisfy our customers and dealers.

Management Issues Requiring Actions

The principal policy of HOYA Group is to maximize its corporate value and to manage the Group with a global perspective, with the aim of acquiring a leading share in the world market. We are endeavoring to improve results in our diverse range of business operations by finding the right combination of our management resources that brings out the full potential of our competitive edge.

Management issues at the HOYA Group are as follows:
(1) Flexible Response to Changing Markets and Efficient Implementation of Management Resources
In the manifold business areas of the HOYA Group, we will accurately identify customers' needs in the market and devise strategies in advance of the competition to respond quickly and flexibly to market trends. We will allocate management resources of the Group appropriately and will make timely decisions regarding plant and equipment investment, business alliances, mergers and acquisitions, withdrawal from or reduction in business operations, etc.

(2) Creation of New Business and Technologies
We realize that, to secure corporate earnings and maintain our growth, building growth segments that differ from existing segments by developing technologies other companies cannot imitate and creating new businesses is critical, in addition to expanding our existing businesses.
We will devote greater resources to developing technologies that will have global applications and products that have a significant competitive advantage; to exploring and creating new businesses; and to acquiring and training personnel able to support our next generation business.

(3) Business Expansion in Life Care Business
The reduction of burden and shortening of time for medical treatment are the demands of both physicians and patients during medical treatment, and minimally invasive treatment has spread rapidly. The HOYA Group will position the Life Care business fields (health care related products, such as eyeglass lenses and contact lenses, and medical related products, including endoscopes for medical treatment and intraocular lenses), where knowledge and experience in optics are applied, as a strategic growth area. We place priority on investing management resources in these fields and intend to expand the businesses by increasing market shares in developed countries and also increasing global sales through emerging countries.

(4) Securing Stable Earnings in the Information Technology Business
The market is quickly approaching maturity in the Information Technology business. We will accelerate technological development, promotion of product differentiation and new product development by strengthening cooperation with customers, in an effort to turn this into a business area where we can secure contracts and maintain profitability regardless of the economic trends. At the same time, we will endeavor to reduce costs by relocating some production facilities to foreign countries, integrating and closing some production bases and by innovating production technologies. We will invest earnings thus generated in the Life Care business area, which is a future area of growth.
We will thus minimize the range of fluctuations in the earnings of the HOYA Group caused by market conditions and financial conditions of customers so as to build a business structure that is less likely to be affected by the economy. This will be accomplished by maintaining a balance between the Life Care and Information Technology business areas.

(5) Energy Conservation Measures, Risk Dispersion and Emergency Preparedness
In addition to the energy saving and other such environmental conservation efforts that have long been made on a group-wide scale, the HOYA Group is committed, as a member of society, to aggressively meeting the growing requests to reduce electricity consumption since the Great East Japan Earthquake in March 2011. The HOYA Group has improved efficiency and profitability through the concentration of development and production sites at a single location wherever possible. However, learning from the two disasters, the Great East Japan Earthquake and the massive flooding in Thailand in October in the same year, the Group is now promptly taking actions to diversify risks, for example by dispersing manufacturing sites and relocating them overseas. We are committed to developing a structure that will provide reassurance amongst our customers in the future.

Changes in the State of Assets, Profits and Losses

■ Overview of Assets, Profits and Losses of the HOYA Group

Classification		72nd Fiscal Year (Ended March 2010) [IFRS]	73rd Fiscal Year (Ended March 2011) [IFRS]	74th Fiscal Year (Ended March 2012) [IFRS]	75th Fiscal Year (Current consolidated fiscal year) (Ended March 2013) [IFRS]
Sales	**(million yen)**	402,430	373,586	360,673	372,494
Profit before tax	**(million yen)**	50,514	63,245	54,021	89,368
Profit for the year	**(million yen)**	41,517	59,579	42,680	71,242
Profit attributable to owners of the Company	**(million yen)**	41,214	59,744	43,219	71,099
Basic earnings per share	**(yen)**	95.24	138.49	100.18	164.78
Total assets	**(million yen)**	560,290	578,641	575,235	618,074
Total equity	**(million yen)**	358,749	377,541	384,653	470,685
Equity attributable to owners of the Company per share	**(yen)**	828.82	873.49	891.93	1,091.25

(Notes)

1. Starting with the 73rd consolidated fiscal year, the Group began to use the International Financial Reporting Standards, in the preparation of its consolidated financial statements pursuant to the first paragraph, Article 120 of the Ordinance on Accounting of Companies. For information, figures prepared in accordance with the International Financial Reporting Standards are shown for the 72nd fiscal years as well. Detailed information on the figures of the 72nd fiscal years can be found in the Consolidated Financial Statements for the 72nd Fiscal Year, prepared in accordance with the International Financial Reporting Standards (IFRS Report) issued on December 21, 2010, found at the Company's website (http://www.hoya.co.jp/english).
2. The amounts of sales and income before tax present only the amount for continuing operations. The amount of net income for the year presents the amount of all operations including discontinued operations.
3. Regarding the 73rd fiscal year, the profit and loss from continuing operations are presented after rearrangement of profit and loss that was newly reclassified to discontinued operations in the 74th fiscal year while such rearrangement has not been made in the 72nd fiscal year.
4. Basic earnings per share is computed, based on the average of the total number of the outstanding shares during the year. Equity attributable to owners of the Company per share is computed, based on the total number of shares outstanding as of the end of fiscal years. The figures for the total number of outstanding shares exclude treasury shares.
5. Sales, Profit before tax and Profit for the year in the 74th fiscal year were much decreased respectively, due to a long time suspension of production and shipping of main products. The suspension was incurred by the considerable damage to production facilities relating to the massive flooding in Thailand in October 2011.
6. The overview of the 75th fiscal year (the current consolidated fiscal year) is provided in the section of this report titled "Business Development and Results."

Important Subsidiaries (as of March 31, 2013)

Company Name	Capital stock	Voting rights owned by the Company	Main business
HOYA HOLDINGS, INC. (USA)	**5,489 thousands of U.S. dollar**	**100.0%**	**Regional headquarters in America**
HOYA HOLDINGS N.V. (The Netherlands)	**9,930 thousands of euro**	**100.0%**	**Holding company in Europe, controlling the distribution and sale of eyeglass lenses in Europe**
HOYA HOLDINGS (ASIA) B.V. (The Netherlands)	**19 thousands of euro**	**100.0%**	**Holding company for the region of Asia**
HOYA HOLDINGS ASIA PACIFIC PTE LTD. (Singapore)	**80,794 thousands of Singapore dollar**	**100.0% (100.0%)**	**Regional headquarters in Asia and Oceania**

(Note) The figure appearing in a bracket in the column entitled "Voting rights owned by the Company" represents indirect ownership.

Major Businesses (as of March 31, 2013)

The HOYA Group has established two business domains in its management concept. They are "Information Technology" and "Life and Culture". In order to realize a continuous increase in the corporate value in each of the business domains, the Group makes decisions on management resource allocations and monitors business results. The major businesses of the HOYA Group can thus be broken down roughly to Information Technology business and Life Care business.

Diverse and varied application product groups that evolved as the result of the digitalization of information and emergence of Internet are the areas in which the Information Technology segment conducts business. The Group manufactures and sells a wide range of input/output (I/O) devices, or peripheral equipment, in the Information Technology field. Included are electronics-related products that are indispensable for today's digital information and communication technology, and image-related products that use optics technology and are necessary to capture images as digital data.

The Life Care segment manufactures and sells health care related products that are used routinely in medical treatment and health maintenance fields, and medical related products that include medical equipment and medical supplies used in medical treatment. Some unique features of this business segment are that government approvals and permits are required pursuant to the Pharmaceutical Affairs Law and that advanced technological strength and reliable quality control systems are the key requirements.

The major products and services handled by each division are as follows:

Business Segment	Business Category	Major products and services
Information Technology	Electronics related Products	Photomasks and Maskblanks for semiconductors, Masks and Devices for liquid-crystal displays (LCDs) Glass disks for hard disk drives (HDDs)
	Imaging related products	Optical lenses, Optical glasses, Digital camera modules, Optical Devices, Laser equipments
Life Care	Health Care related products	Eyeglass lenses, Contact lenses
	Medical related products	Endoscopes, Medical accessories, Intraocular lenses, Artificial bone, Metallic implant for orthopedics
Other		Design of information systems, outsourced works

Head Office, Principal Places of Business and Plants (as of March 31, 2013)

(1) HOYA CORPORATION

Division	Name	Location
Headquarters	Group Headquarters	Shinjuku-ku, Tokyo
	Netherlands Branch	The Netherlands
	Singapore Branch	Singapore
Information Technology	Blanks Division and other Divisions' Sales Departments	Shinjuku-ku, Tokyo, etc.
	Nagasaka Office	Hokuto-shi, Yamanashi
	Hachioji Factory	Hachioji-shi, Tokyo
	Kumamoto Factory	Ozu-machi, Kumamoto
	Akishima Factory	Akishima-shi, Tokyo
Life Care	Vision Care Company, Japan Headquarters	Shinjuku-ku, Tokyo
	Eye Care Division	Shinjuku-ku, Tokyo
	Medical Division, Japan Headquarters	Shinjuku-ku, Tokyo
	Showa-no-mori Office	Akishima-shi, Tokyo

(2) Subsidiaries

Segment	Name	Location
Information Technology	HOYA CORPORATION USA	USA
	HOYA ELECTRONICS SINGAPORE PTE. LTD.	Singapore
	HOYA GLASS DISK VIETNAM LTD.	Vietnam
	HOYA OPTICAL TECHNOLOGY (WEIHAI) CO., LTD.	China
	HOYA CANDEO OPTRONICS CORPORATION	Toda-shi, Saitama, Japan
	PENTAX CEBU PHILIPPINES CORPORATION	The Philippines
Life Care	HOYA LENS DEUTSCHLAND GMBH	Germany
	HOYA OPTICAL LABS OF AMERICA, INC.	USA
	HOYA LENS THAILAND LTD.	Thailand
	HOYA MEDICAL SINGAPORE PTE. LTD.	Singapore
	PENTAX OF AMERICA, INC.	USA
	PENTAX EUROPE GMBH	Germany
Other	HOYA SERVICE CORPORATION	Shinjuku-ku, Tokyo, Japan
Corporate	HOYA HOLDINGS, INC.	USA
	HOYA HOLDINGS N. V.	The Netherlands
	HOYA HOLDINGS (ASIA) B. V.	The Netherlands
	HOYA HOLDINGS ASIA PACIFIC PTE LTD.	Singapore

Employees (as of March 31, 2013)

(1) By Segment

Segment	Number of Employees	Year-on-year Comparison at Year End
Information Technology	21,631	Up 1,088
Life Care	13,093	Up 1,740
Other	302	Down 4
Corporate	104	Down 57
Total	35,130	Up 2,767

(2) Changes in the number of employees

Category	72nd Fiscal Year (Ended March 2010)	73rd Fiscal Year (Ended March 2011)	74th Fiscal Year (Ended March 2012)	75th Fiscal Year (Ended March 2013)
Overseas	30,088	32,349	28,663	31,503
Japan	4,362	4,198	3,700	3,627

(Notes)

1. The number of employees represents officially-hired employees of all operations. Temporary and contract workers are excluded.
2. The Corporate figure represents the number of employees in the Group Headquarters and overseas regional headquarters and branches.
3. The reason of large decrease in the number of employees in the 74th fiscal year is mainly due to that as of October 1, 2011, the PENTAX Imaging System Business was transferred to Ricoh Co., Ltd.
4. Employees at HOYA CORPORATION numbered 3,129 (Down 1,325 YOY). Their ages and service periods averaged 41.9 and 16.3 years, respectively.

Major Lenders (as of March 31, 2013)

Lender	Loans Payable
Japan Science and Technology Agency	425 million yen

Other Important Matters concerning the HOYA Group

(1) Insurance Income pertaining to the Flood Damages in Thailand
The massive flooding that occurred in Thailand in October 2011 inflicted direct damages to two plants of HOYA LENS THAILAND LTD., which are the HOYA Group’s flagship manufacturing sites for eyeglass lenses.
Fortunately, no deaths or injuries resulted. As the flood water subsided toward the end of 2011, efforts to restore infrastructure and manufacturing facilities commenced, operations resumed from the beginning of the current consolidated fiscal year, and performance is steadily recovering.
The insurance income of 32,187 million yen from the insurance on fixed assets and profits which were damaged by the flooding in Thailand is included in the current consolidated fiscal year.

(2) Conclusion of an Agreement on Transfer of Eyeglass Lens Manufacture Business and Alliance in Marketing
On November 16, 2012, HOYA Corporation concluded an agreement with Seiko Epson Corporation to transfer Seiko Epson's eyeglass lens development and manufacture business to HOYA, and on February 1, 2013, executed the transfer of the business as planned.
At the same time, HOYA concluded an agreement with Seiko Holdings Corporation (hereinafter referred to as “Seiko”), with the aim of a global strategic alliance in the marketing business of eyewear-related products between the two companies, to acquire 30% of the shares in Seiko Optical Products Co., Ltd., which engages in the said business as a wholly-owned subsidiary of Seiko, on February 1, 2013 and an additional 20% on March 31, 2014.
However, this share transfer was postponed beyond the original schedule of February 1, 2013 because the antitrust authorities of the People's Republic of China required more time than anticipated to review the matter. In the end, HOYA and Seiko have recently agreed to settle the transfer effective on June 1, 2013 after completion of the review.
This will bring together the expertise of the three companies for developing, producing and marketing eyeglass lenses and eyewear-related products, which has been accumulated separately, and we will endeavor to enhance the products and services to satisfy our customers and dealers.

(3) Voluntary Recall of Medical Related Products (Intraocular Lenses)
Cases of inflammation and/or endophthalmitis exceeding certain ratios have been reported for some medical related products (intraocular lenses). The test data so far confirmed that our intraocular lenses meet all industry standards. However, giving the highest priority to ensuring patient health, the shipment of some products was voluntarily suspended from January 2013 for further investigation, and as an additional measure, products were subsequently recalled voluntarily starting from February 2013. Please accept our sincere apologies for all those affected by the considerable anxiety and inconvenience caused.

(4) Structural Reform of AvanStrate Inc., and Recording of the Associated Costs
AvanStrate Inc., which is an equity method affiliate, executed structural reform. Consequently, a share of losses from associates of 11,912 million yen is recorded for the current consolidated fiscal year.

Current State of the Company

State of Shares (as of March 31, 2013)

(1) Total number of shares the Company authorized: Common stock 1,250,519,400 shares

(2) Total number of issued shares: Common stock 435,017,020 shares

(3) Number of shareholders: 83,560 (Down 57 YOY)

(4) Number of shares constituting one unit: 100 shares

(5) Principal shareholders: (Top 10 shareholders)

Rank	Name	Number of shares	Percentage of investment
		(Hundred shares)	%
1	State Street Bank and Trust Company	265,484	6.15
2	Japan Trustee Services Bank, Ltd. (Trust Account)	253,758	5.88
3	Northern Trust Company (AVFC) Sub Account American Client	168,691	3.91
4	The Master Trust Bank of Japan, Ltd. (Trust Account)	148,830	3.45
5	State Street Bank and Trust Company 505225	109,429	2.54
6	SSBT OD05 OMNIBUS ACCOUNT – TREATY CLIENTS	98,955	2.29
7	The Chase Manhattan Bank N.A. London Securities Lending Omnibus Account	95,367	2.21
8	Mamoru Yamanaka	90,204	2.09
9	Northern Trust Company (AVFC) Re U.S. Tax Exempted Pension Funds	66,390	1.54
10	JP Morgan Chase Bank 380055	62,422	1.45

(Notes)

1. In consideration of the number of voting rights, the numbers of shares are stated in units of one hundred shares and the shares that do not constitute one trading unit are rounded down.
2. The percentage of investment is calculated by excluding treasury stocks (3,520,879 shares).

State of Stock Acquisition Rights, etc.

(1) Stock acquisition rights owned by Directors and Executive Officers of the Company that have been issued as compensation for their execution of duties (as of March 31, 2013)

Issue (Date of resolution)		5th issue of stock subscription rights (December 22, 2005)	6th issue of stock subscription rights (October 19, 2006)	7th issue of stock subscription rights (October 29, 2007)	8th issue of stock subscription rights (November 10, 2008)	10th issue of stock subscription rights (November 19, 2009)	11th issue of stock subscription rights (November 18, 2010)	12th issue of stock subscription rights (December 22, 2011)	13th issue of stock subscription rights (December 24, 2012)
Number of stock acquisition rights		155	157	148	157	385	167	237	207
Type and number of shares to be issued on exercise of stock acquisition rights		62,000 shares of ordinary share	62,800 shares of ordinary share	59,200 shares of ordinary share	62,800 shares of ordinary share	154,000 shares of ordinary share	66,800 shares of ordinary share	94,800 shares of ordinary share	82,800 shares of ordinary share
Exercise price per share		4,150 yen	4,750 yen	4,230 yen	1,556 yen	2,215 yen	1,947 yen	1,616 yen	1,648 yen
Contribution of stock acquisition right		No contribution is required in exchange for a stock acquisition right							
Exercise period		October 1, 2006 - September 30, 2015	October 1, 2007 - September 30, 2016	October 1, 2008 - September 30, 2017	October 1, 2009 - September 30, 2018	October 1, 2010 - September 30, 2019	October 1, 2011 – September 30, 2020	October 1, 2012 – September 30, 2021	October 1, 2013 – September 30, 2022
Outline of terms and conditions for the exercise of stock acquisition rights		-Exercise of stock acquisition rights is permitted under certain conditions even after retiring from the post due to the expiration of term of office or mandatory retirement age. -Inheritance or transfer of the stock acquisition rights, creation of a pledge concerning the rights, etc. are not permitted.							
State of owner ship	Directors (excluding Outside Directors) and Executive Officers	Number of owners: 2 Number of stock acquisition rights: 85	Number of owners: 2 Number of stock acquisition rights: 127	Number of owners: 2 Number of stock acquisition rights: 118	Number of owners: 2 Number of stock acquisition rights: 127	Number of owners: 3 Number of stock acquisition rights: 305	Number of owners: 3 Number of stock acquisition rights: 127	Number of owners: 3 Number of stock acquisition rights: 147	Number of owners: 3 Number of stock acquisition rights: 157
	Outside Directors	Number of owners: 3 Number of stock acquisition rights: 70	Number of owners: 3 Number of stock acquisition rights: 30	Number of owners: 3 Number of stock acquisition rights: 30	Number of owners: 3 Number of stock acquisition rights: 30	Number of owners: 4 Number of stock acquisition rights: 80	Number of owners: 4 Number of stock acquisition rights: 40	Number of owners: 5 Number of stock acquisition rights: 90	Number of owners: 5 Number of stock acquisition rights: 50

(Notes)

1 The first issue of stock subscription rights, resolved at the meeting of the Board of Directors held on October 21, 2002, the third issue of stock subscription rights, resolved at the meeting of the Board of Directors held on November 27, 2003, and the fourth issue of stock subscription rights, resolved at the meeting of the Board of Directors held on November 25, 2004, have ceased to exist, as the respective periods for their exercise have elapsed.

2. No stock subscription rights were granted to Directors and Executive Officers of the Company in the second issue of stock subscription rights resolved at the meeting of the Board of Directors held on May 23, 2003 and in the ninth issue of stock subscription rights resolved at the meeting of the Board of Directors held on February 5, 2009.

(2) Conditions of stock acquisition rights granted to employees, etc. as compensation for the fulfillment of duties during the fiscal year under review

<table>
<tr><th colspan="2">Issue (Date of the resolution)</th><th>13th issue of stock acquisition rights
(December 20, 2012)</th></tr>
<tr><td colspan="2">Number of stock acquisition rights</td><td>1,195 rights</td></tr>
<tr><td colspan="2">Type and number of shares to be issued on exercise of stock acquisition rights</td><td>478,000 shares of ordinary share</td></tr>
<tr><td colspan="2">Exercise price per share</td><td>1,648 yen</td></tr>
<tr><td colspan="2">Contribution of stock acquisition right</td><td>No contribution is required in exchange for stock acquisition right</td></tr>
<tr><td colspan="2">Exercise period</td><td>October 1, 2013 – September 30, 2022</td></tr>
<tr><td colspan="2">Outline of terms and conditions for the exercise of stock acquisition rights</td><td>-Exercise of stock acquisition rights is permitted under certain conditions even after retiring from the post due to the expiration of term of office or mandatory retirement age.
-Inheritance or transfer of the stock acquisition rights, creation of a pledge concerning the rights, etc. are not permitted.</td></tr>
<tr><td rowspan="2">State of ownership</td><td>Employees of the Company</td><td>Number of owners: 24
Number of stock subscription rights: 420</td></tr>
<tr><td>Officers and employees of subsidiaries of the Company</td><td>Number of owners: 41
Number of stock acquisition rights: 775</td></tr>
</table>

Directors of the Company

(1) Directors and Executive Officers

Name	Position and role at the Company	Important positions of other organization concurrently held
Yuzaburo Mogi	**Director Chairman, Nomination Committee Compensation Committee member Audit Committee member**	**Honorary Chief Executive Officer and Chairman of the Board of Directors of Kikkoman Corporation Outside Director of Calbee, Inc. Outside Auditor of Tobu Railway, Co., Ltd. Outside Auditor of Fuji Media Holdings, Inc. Outside Auditor of Fuji Television Network, Inc. Outside Director of Meiji Yasuda Life Insurance Company (Retired on July 3, 2012)**
Eiko Kono	**Director Chairman, Compensation Committee Nomination Committee member Audit Committee member**	**Outside Director of Mitsui Sumitomo Insurance Co., Ltd. Outside Director of DIC Corporation Outside Director of Tokyo Stock Exchange, Inc. Outside Director of Tokyo Stock Exchange Group, Inc. (Retired on January 1, 2013)**
Yukiharu Kodama	**Director Chairman, Audit Committee Nomination Committee member Compensation Committee member**	**Chairman of the Mechanical Social Systems Foundation Outside Director of Asahi Kasei Corporation Outside Auditor of Tokyo Dome Corporation Outside Auditor of Yomiuri Land Co., Ltd.**
Itaru Koeda	**Director Nomination Committee member Compensation Committee member Audit Committee member**	**Chairman Emeritus and Advisor of Nissan Motor Co., Ltd.**
Yutaka Aso	**Director Nomination Committee member Compensation Committee member Audit Committee member**	**Chairman and Representative Director of Aso Corporation President and Representative Director of Aso Cement Co., Ltd.**
Hiroshi Suzuki	**Director President & CEO**	
Kenji Ema	**Director Executive Officer & Chief Financial Officer (CFO)**	
Taro Hagiwara	**Executive Officer in charge of technology**	

(Notes)

1. Mr. Yuzaburo Mogi, Ms. Eiko Kono, Mr. Yukiharu Kodama, Mr. Itaru Koeda and Mr. Yutaka Aso are outside directors as indicated in the 15th item, Article 2 of the Companies Act.
2. Each member of the Audit Committee of the Company has engaged in corporate management or has monitored the business community at government offices for many years. At the same time, they have served in financial institutions as outside directors or advisors. They have considerable levels of knowledge concerning finance and accounting.
   Mr. Yuzaburo Mogi, in particular, has direct on-site finance and accounting experience as an accounting section member and as a director and chief controller.

(2) Independent Directors

The company provided notice on Mr. Yuzaburo Mogi, Ms. Eiko Kono, Mr. Yukiharu Kodama, Mr. Itaru Koeda, and Mr. Yutaka Aso to the Tokyo Stock Exchange as being independent directors appointed by the Company, in accordance with the Tokyo Stock Exchanges rules and regulations.

(3) Outside Directors

(i) Important positions and roles concurrently held by the Company's Outside Directors at other organization and their relationship with the Company is shown in "(1) Directors and Executive Officers" above. There is no important business transactions relationship between the Company and each of any other organization.

(ii) Attendance at Board of Directors Meetings and Other Committee Meetings (Number of meetings attended/Number of meetings held)

Name	Board of Directors Meeting	Nomination Committee	Compensation Committee	Audit Committee
Yuzaburo Mogi	10／10 (100%)	5／5 (100%)	6／6 (100%)	8／8 (100%)
Eiko Kono	10／10 (100%)	3／5 (60%)	5／6 (83%)	7／8 (88%)
Yukiharu Kodama	10／10 (100%)	5／5 (100%)	6／6 (100%)	8／8 (100%)
Itaru Koeda	10／10 (100%)	5／5 (100%)	6／6 (100%)	8／8(100%)
Yutaka Aso	10／10 (100%)	5／5 (100%)	6／6 (100%)	8／8 (100%)

(iii) Major Activities at the Board of Directors Meetings and Other Committee Meetings during the Fiscal Year under Review

Name	Major Activities
Yuzaburo Mogi	**Mr. Mogi actively made useful contributions to the discussion of items on the agenda, based on his substantial management experience and expertise. As an Outside Director, he made remarks from a fair and impartial position as the occasion required, and fulfilled his role in terms of management supervision. As the Chairman of the Nomination Committee, Mr. Mogi led discussion toward Committee decisions on agenda items including the selection of candidates for Director's posts and the appointment of candidates for Executive Officers.**
Eiko Kono	**Ms. Kono actively made useful contributions to the discussion of items on the agenda, based on her substantial management experience and expertise. As an Outside Director, she made remarks from a fair and impartial position as the occasion required, and fulfilled her role in terms of management supervision. As the Chairman of the Compensation Committee, she led the discussion of agenda items toward Committee decisions, for conducting fair and adequate performance evaluations and constructing a remuneration system that gives heightened incentives to Directors and Executive Officers.**
Yukiharu Kodama	**Mr. Kodama actively made useful contributions to the discussion of items on the agenda based on his experience as the minister's aide and an impartial observer of the business community at the Ministry of International Trade and Industry (the predecessor of the Ministry of Economy, Trade and Industry), and based on the substantial experience and expertise he has gained at financial institutions. As an Outside Director, he made remarks from a fair and impartial position as the occasion required, and fulfilled his role in terms of management supervision. As the Chairman of the Audit Committee, Mr. Kodama led the discussions toward Committee decisions on agenda items, including verification of financial statements, monitoring of internal control systems, and auditing of operations and assets.**
Itaru Koeda	**Mr. Koeda made useful contributions to the discussion of items on the agenda, based on his substantial management experience and expertise. As an Outside Director, he made remarks from a fair and impartial position as the occasion required, and fulfilled his role in term of management supervision.**
Yutaka Aso	**Mr. Aso made useful contributions to the discussion of items on the agenda, based on his substantial management experience and expertise. As an Outside Director, he made remarks from a fair and impartial position as the occasion required, and fulfilled his role in term of management supervision.**

(iv) Overview of Liability Limitation Contract

The Company and its Outside Directors have concluded an agreement that limits possible future liabilities of the latter prescribed in the first paragraph, Article 423 of the Companies Act to the higher of 10 million yen or the amount prescribed by the Act.

Remuneration etc. for the Director of the Company

(1) Policy of the Compensation Committee for determining the amount of remuneration and other benefits received by Directors and Executive Officers and details of the policy

(i) Basic Policy

The Company has established a Compensation Committee with the objective of "contributing to improvement of results of the Company by constructing a remuneration system that raises motivation among Directors and Executive Officers and by appraising their performance appropriately." The Committee is made up of all of 5 Outside Directors who are not Executive Officers of the Company.

(ii) Policy concerning remuneration for Directors

The remuneration of Directors consists of a fixed salary and stock options.

The fixed salaries consist of a basic compensation and compensation for being a member or a chairman of the Nomination, Compensation or Audit Committee. The compensation levels are set appropriately by taking into consideration such factors as the Company's business environment and the levels set by other companies as determined by a survey conducted by an outside professional organization.

(iii) Policy concerning remuneration for Executive Officers

The remuneration of Executive Officers consists of a fixed salary, performance-based compensation and stock options.

Fixed salaries are set appropriately according to the office and responsibility of each Executive Officer (President, CFO, etc.) and by taking into consideration such factors as the Company's business environment and the levels set by other companies as determined by a survey conducted by an outside professional organization.

Performance-based compensation is determined by both financial performance, measured as the percentage of targets met with respect to indicators corresponding to sales, profit for the year and earnings per share, which is given an 80% weight, and the degree of achievement with respect to management measures set at the beginning of the fiscal year, which is given a 20% weight. Remuneration typically consists of 50% fixed salary and 50% performance-based pay. The performance-based portion, however, can fluctuate widely, depending on the Company's performance.

Benefits granted to expatriates (such as housing) are also set at appropriate levels in consideration of the Company's business environment and the levels set by other companies as determined by a survey conducted by an outside professional organization.

(iv) Stock Options

In order for newly-appointed Directors and Executive Officers to share the same perspective as shareholders in regards to share price, and for re-appointed to share common interest with shareholders on long-term basis, commensurate stock options, which are a certain percentage of the granted shares when newly-appointed, are granted continuously every year in consideration of the exercise price at the time of granting (a market price one day prior to a Board of Directors resolution regarding stock option grants), fluctuations in the share price during the exercise period and fixed annual salaries.

Based on the above, the number of stock options granted to Outside Directors is fixed each year, whereas the number of stock options granted to Executive Officers is based on Company performance and individuals' evaluations, subject to deliberation by the Compensation Committee and decided by the Board of Directors.

Retirement benefits for officers were eliminated in 2003 as it was determined that these benefits were essentially a service pay for many years of service and had little to do with Company's performance or shareholder returns, and as such are not appropriate as a component of the officer compensation scheme.

(2) Total amount of remuneration, etc. of Directors and Executive Officers for the fiscal year under review

Classification		Number of payees	Total amount of remuneration, etc.	Total amount of remuneration by type		
				Fixed salary	Performance-based remuneration	Stock options
Directors	**Outside**	5 persons	62 million yen	51 million yen	—	11 million yen
	Internal	3 persons	18 million yen	18 million yen	—	—
	Total	8 persons	80 million yen	68 million yen	—	11 million yen
Executive Officers		4 persons	288 million yen	182 million yen	95 million yen	11 million yen
Total		9 persons	367 million yen	250 million yen	95 million yen	22 million yen

(Notes)

1. At the end of the fiscal year under review, there were seven Directors and three Executive Officers. Two of the three Executive Officers served concurrently as Internal Directors.
2. The total amount of remuneration includes remuneration paid to one Internal Director and Executive Officer who retired as of the conclusion of the 74th Ordinary General Meeting of Shareholders.
3. Fixed salary for Executive Officers includes oversea Executive Officer's benefit as expatriate of 47 million yen.
4. For the stock options, fair values of stock acquisition rights were calculated and the table above shows amounts to be recorded as expenses for the fiscal year under review.

(3) Amount of consolidated remuneration for each Director and Executive Officer (CEO and those with remuneration totaling 100 million yen or more)

(i) The remuneration of the Chief Executive Officer (CEO) for the 75th fiscal year is as follows.

Name	Total Amount	Fixed Salary	Performance-based remuneration	Stock Option
Hiroshi Suzuki, CEO	153 million yen	94 million yen	47 million yen	13 million yen

(ii) There was one other Director/Executive Officer whose consolidated remuneration totaled 100 million yen or more during the period, as shown below.

Name	Total Amount	Fixed Salary	Performance-based remuneration	Stock Option
Kenji Ema, CFO	107 million yen	68 million yen	31 million yen	7 million yen

Independent Auditors

(1) Name Deloitte Touche Tohmatsu LLC

(2) Amount of fee, etc.

Classification	Amount of payment
Amount of fee, etc. paid to independent auditors regarding the fiscal year under review	168 million yen
Aggregate amount of monetary and other asset gains the Company and its subsidiaries owe to independent auditors	170 million yen

(Notes)

1. The audit agreement between the Company and its independent auditors makes no clear distinction between the amount of audit fees based on the Companies Act and the audit fee based on the Financial Instruments and Exchange Act. For this reason, the total amount of fee, etc. for the independent auditors is stated as the amount of fee, etc. for the fiscal year under review.
2. The member firms of Deloitte Touche Tohmatsu Limited and Ernst & Young Global Limited provide audit services to the Company's major subsidiaries overseas.

(3) Policy on dismissal of independent auditors or decision against reappointment

When a condition that corresponds to any of the reasons for dismissal prescribed in the items of first paragraph, Article 340 of the Companies Act exists, and dismissal is deemed to be reasonable, the Audit Committee shall dismiss the independent auditors with the agreement of all Audit Committee members. In this case, an Audit Committee member appointed by the Audit Committee shall report the dismissal of the independent auditors and the reason for the dismissal at the first General Meeting of Shareholders following the dismissal.

The Audit Committee shall also examine the potential for reappointment by taking into consideration the term of office of independent auditors, the status of prior audit execution, the presence or absence of any serious reason that causes independent auditors to lose credibility, and other circumstances, and, when reappointment is not considered reasonable, shall place "no reappointment of independent auditors" on the agenda for discussion at a general meeting of shareholders on the regulations of the Audit Committee.

Frameworks and Policies of the Company

1. Frameworks and Policies Concerning Internal Control Systems

1) System for Ensuring Adequacy of Operations:

Contents of the resolutions the Board of Directors of the Company made with regard to internal control systems set out in (b) and (e) of first item, first paragraph, Article 416 of the Companies Act and Article 112 of the Ordinance for Enforcement of the Companies Act are as follows:

(1) Important matters in the execution of duties by the Audit Committee

(i) Matters concerning Directors and employees assisting the Audit Committee in its duties
The Audit Committee Office shall be established to assist the Audit Committee in its duties.

(ii) Matters concerning independence from the Executive Officers of Directors and employees stated in the above item
The regulations of the Company shall prescribe that the Audit Committee has the power to appoint and dismiss staff members of the Audit Committee Office.

(iii) Systems required for reports to the Audit Committee, including reports by Executive Officers and employees
The Board of Directors Regulations were amended to require reporting of all important matters to the Board of Directors, where Outside Directors comprise the majority of Board members. As a result, reports to the Board of Directors began to cover all important matters. For this reason, no special stipulations are established regarding matters that need to be reported to the Audit Committee.

(iv) Other systems to ensure the effectiveness of audits by the Audit Committee
The Company shall position the Internal Audit Division under the Audit Committee. The Internal Audit Division shall conduct audits focusing on onsite audits according to the audit policies and plans adopted or approved by the Audit Committee, and shall report to the Audit Committee as the occasion demands.
Each internal organization shall promptly report information it retains or manages at the request of the Audit Committee or the Internal Audit Division.

(2) Matters required for ensuring the adequacy of operations

(i) Systems concerning the storage and management of information about the execution of duties by Executive Officers
Efforts shall be made to adequately store and manage important matters, including documents, records and minutes relating to applications for internal approval, in accordance with laws, regulations and other standards.

(ii) Regulations and other systems concerning the management of the risk of loss
Each organ and division shall try to identify and manage risks, and shall aim for improvements as the occasion demands, taking into consideration the instructions of the Internal Audit Division, etc.

(iii) Systems for ensuring the efficiency of duty performance by Executive Officers
Each division shall carry out its operations according to the annual plan and the quarterly budget adopted at meetings of the Board of Directors. The HOYA Group shall ensure the efficiency of Group management by evaluating the levels of target achievement every quarter and working to make improvements as the occasion demands.
Executive Officers shall be timely and precise in performing their duties based on the decision-making system for their execution of duties, which covers their standards for approving important matters.

(iv) Systems for ensuring compliance with laws, ordinances and the Articles of Incorporation of the way duties are performed by Executive Officers and employees
The HOYA Group shall secure systems relating to the HOYA Business Conduct Guidelines that need to be observed by Directors and employees of the HOYA Group.

(v) Systems for ensuring the adequacy of Group operations, including a given company, its parent and its subsidiaries
The HOYA Group shall observe across its organization the HOYA Business Conduct Guidelines established based on the Management Policy and Management Principles of the Group, and shall undertake educational activities as required. The HOYA Group will reinforce the effectiveness of such activities with the HOYA Help Line, an intra-Group system for reporting and counseling. The Group shall operate this system not only in Japan but also overseas to ensure the soundness of Group activities.

(3) System for ensuring reliability of financial reporting
The HOYA Group shall establish and manage a system of internal controls for financial reporting and build a system for evaluating its financial reporting to ensure the reliability of its financial reporting and valid, appropriate submission of internal control reports as prescribed in the Financial Instruments and Exchange Act.

2) Basic Policy for Eliminating Antisocial Forces

A meeting of the Board of Directors resolved to adopt the following basic policy for the elimination of antisocial forces.

We shall have no association whatsoever with antisocial forces, and deal with undue claims made by such forces resolutely as an organization in cooperation with specialized external agencies.

2. Basic Policy on Parties that Control Decisions Concerning Corporate Finance and Business Policies

The Company does not have a specific basic policy in this regard. However, the Company's basic view is as follows:

The Company takes the view that judgment should ultimately lie with shareholders when an acquisition proposal and the like is made with the transfer of management control as its objective. Currently no concrete threat regarding acquisition emerges. The Company has no intention to fix concrete arrangements (so-called "countermeasures against takeovers) before the emergence of any such proposal. The responsibility of management is not to take unnecessary actions to defend companies from takeovers. As an entity that operates for the benefit of its shareholders, the Company considers it crucial to increase the return of profit to shareholders and increase its corporate value by constantly monitoring transactions of its shares and changes to its shareholders, to improve its business performance and increase its financial strength with the greater objective of achieving further growth.

If an acquisition or similar proposal is made, the Company considers it important to provide the information shareholders require to make a judgment based on an examination of the proposal made by the proposer. If the Company believes that the proposal will not increase the corporate value of the Company and benefit the common interest of its shareholders, it will clearly explain to the shareholders the reasons that form the background to its position, and try to obtain the understanding of shareholders.

3. Policy Concerning Decisions on Appropriation of Retained Earnings, etc.

The Company endeavors to enhance its corporate value to meet shareholders' expectations through the promotion of Group management by focusing on business development from a global standpoint. With respect to the distribution of retained earnings, the Company will examine both the results for the fiscal year under review and medium- to long-term fund requirements and make decisions, giving consideration to the balance among returns to the shareholders, the welfare of employees and the buildup of internal reserves for future growth of the Company.

With respect to internal reserves, resources will be appropriated preferentially in markets so as to establish brands, particularly for consumables in the Life Care business fields. Furthermore, the Company plans to aggressively pursue mergers and acquisitions (M&A) to ensure its future business growth, and make timely investment in M&A, as well as in R&D expenditures to strengthen its competitiveness. The Company will also continue to make capital investment so as to secure proper production capacity and develop next-generation technologies and new products so that it will generate stable earnings in the future.

Although the Company recorded increased sale and profit in comparison to the preceding consolidated fiscal year as described earlier, one of main factors for the increased profit is insurance income related to the damages incurred by the flooding in Thailand in 2011. For this reason, the Company set the year-end dividend for the consolidated fiscal year under review at 35 yen per share. Coupled with the interim dividend of 30 yen per share already paid, the annual dividend will be 65 yen per share.

［Notes］

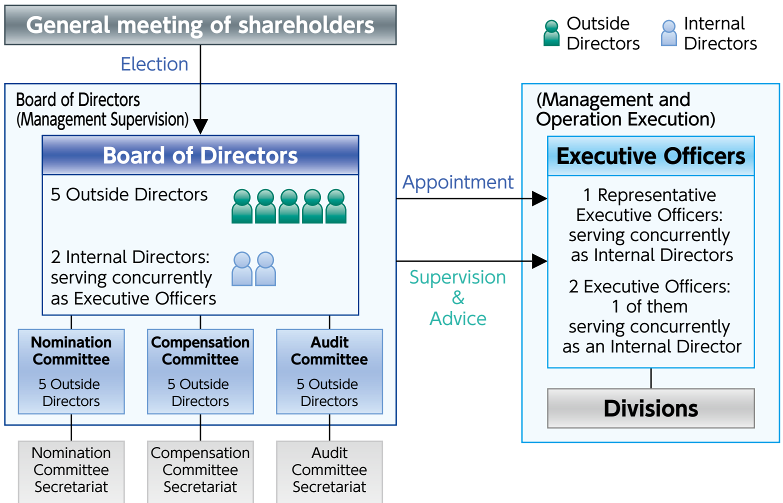
1. Yen amounts shown were obtained by rounding fractions to the closest stated units. Percentage figures shown were also obtained by rounding fractions to the lowest place shown. Numbers of shares shown were obtained by rounding down fractions less than the stated units.
2. Sales and other figures do not include consumption tax or local consumption tax.

Corporate Governance

HOYA promotes management with the aim of maximizing its corporate value based the recognition that corporate governance is a matter of utmost importance for management.

As the basis of taking a fair approach to stakeholders, we have adopted a "company with committees" structure simultaneously with the revision of the Companies Act, which enables us to better distinguish the execution and supervision of management to prevent management from being conducted based solely on in-house logic. We have also set forth in the Articles of Incorporation that the majority of Directors consist of Outside Directors, who actively supervise management by Executive Officers and provide advice in order to improve corporate value from an objective and broad perspective.

Corporate Governance Structure



As of March 31, 2013

HOYA also gives Executive Officers the authority and responsibility for the execution of operations, in order to accelerate decision making and improve management efficiency.

HOYA has established HOYA Corporate Governance Guidelines at the board meeting, and revises it to enhance corporate governance structure and to introduce better governance systems.

Please see Hoya Corporate Governance Guidelines at
http://www.hoya.co.jp/english/company/company_04.html

Board of Directors

HOYA's Board of Directors, in which Outside Directors comprise the majority of Board members (7 Directors, consisting of 5 Outside and 2 Internal Directors as of March 31, 2013), convene regular Board meetings 10 times a year as a general rule.

Each meeting of the Board of Directors involves lively discussions and deliberations in a solemn atmosphere, with globally-minded Outside Directors with a wealth of management experience supervising the execution of operations by Executive Officers and providing them with advice from various angles.

Executive Officers

At HOYA, three persons - namely, the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Executive Officer in charge of Technology - are nominated by the Nomination Committee as candidates for Executive Officers and elected at the meeting of the Board of Directors as of March 31, 2013 (CEO and CFO concurrently serve as Internal Directors). Each of them oversees the execution of operations in their respective jurisdictions determined by the Board of Directors, and carries out decision-making in a speedy fashion. Respective persons responsible for business divisions are instructed by the Executive Officers to formulate and execute specific policies based on the management policies decided at the meetings of the Board of Directors, and report the progress of businesses at the business reporting meetings, which are held more or less each month.

Committees

The Board of Directors has internal organizations, namely, "Nomination Committee", "Compensation Committee" and "Audit Committee", each of which consists solely of Outside Directors.

Nomination Committee

The Nomination Committee, which is comprised of 5 Outside Directors, selects candidates for Directors based on the "Basis for Election of Candidates for Directors" and proposes the candidates to the General Meeting of Shareholders for voting. It also selects candidates for Executive Officers and the Representative Executive Officer, and proposes the candidates to the Board of Directors for voting. As necessary, it makes decisions to propose the dismissal of Directors to the General Meeting of Shareholders and the dismissal of Executive Officers to the Board of Directors for voting. The Committee sets out the criteria for independence of candidates for Directors, which is stricter than the rules by Tokyo Stock Exchange so that a function of overseeing Executive Officers required to outside Directors is secured. The criteria of the independence of candidates for Outside Directors is described on the page 18 (included in the Reference Material).

Compensation Committee

The Compensation Committee, which is comprised of 5 Outside Directors, builds a remuneration structure that gives more incentives to Directors and Executive Officers and assesses their work in an appropriate manner, with the aim to help improve HOYA's business performance. The Compensation Committee determines the remuneration of Directors and Executive Officers on an individual basis. The policy of Compensation Committee is shown in page 43 (included in the Business Report).

Audit Committee

The Audit Committee, which is comprised of 5 Outside Directors, formulates the audit policies and audit plans for each fiscal year, and verifies financial statements, etc. based on the quarterly reports and year-end reports received from the Independent Auditor according to such policies and plans. It also interviews the Internal Audit Division to obtain the results of operational audits, and verifies the soundness, legality, efficiency, etc. of management. All important matters are reported to the Board of Directors, and countermeasures are taken as necessary.

Consolidated Statement of Financial Position

(As of March 31, 2013)

(Millions of yen)

Item	Amount	Item	Amount
ASSETS		**EQUITY AND LIABILITIES**	
Non-current assets:	**195,917**	**EQUITY**	
Property, plant and equipment–net	140,747	**Equity attributable to owners of the Company:**	**470,872**
Goodwill	8,367	Share capital	6,264
Intangible assets	19,189	Capital reserves	15,899
Investments in associates	534	Treasury shares	(10,712)
Long-term financial assets	9,150	Other capital reserves	(2,313)
Other non-current assets	2,467	Retained earnings	485,953
Deferred tax assets	15,464	Accumulated other comprehensive income	(24,220)
Current assets:	**422,157**	**Non-controlling interests**	**(187)**
		Total equity	**470,685**
		LIABILITIES	
		Non-current liabilities:	**68,655**
Inventories	66,720	Interest-bearing long-term debt	60,837
		Other long-term financial liabilities	149
Trade and other receivables	88,824	Retirement benefits obligation	1,309
		Other provisions	1,975
Other short-term financial assets	9,210	Other non-current liabilities	2,224
		Deferred tax liabilities	2,160
Income tax receivables	722	**Current liabilities:**	**78,735**
Other current assets	7,786	Interest-bearing short-term debt	1,891
		Trade and other payables	40,415
Cash and cash equivalents	248,896	Other short-term financial liabilities	385
		Income tax payables	5,680
		Other provisions	800
		Other current liabilities	29,564
		Total liabilities	**147,389**
Total assets	**618,074**	**Total equity and liabilities**	**618,074**

Consolidated Statement of Comprehensive Income

(From April 1, 2012, to March 31, 2013)

(Millions of yen)

Item	Amount	
Continuing operations		
Revenue:		
Sales	372,494	
Finance income	965	
Other income	38,809	**412,268**
Expenses:		
Changes in inventories of goods, products and work in progress	7,379	
Raw materials and consumables used	70,634	
Employee benefits expense	94,982	
Depreciation and amortization	30,872	
Subcontracting cost	4,707	
Advertising and promotion expense	10,310	
Commission expense	21,357	
Impairment losses	1,119	
Finance costs	2,086	
Share of loss of associates	11,912	
Foreign exchange (gain)/ loss	(12,539)	
Other expenses	80,080	**322,900**
Profit before tax		**89,368**
Income tax expense		18,125
Profit for the year from continuing operations		**71,242**
Profit for the year		**71,242**
Other comprehensive income:		
Net gain/(loss) on revaluation of available-for-sale financial assets	594	
Exchange differences on translation of foreign operations	42,045	
Share of other comprehensive income of associates	171	
Income tax relating to components of other comprehensive income	(203)	**42,606**
Total comprehensive income for the year		**113,848**
Profit attributable to:		
Owners of the Company	71,099	
Non-controlling interests	143	71,242
Total comprehensive income attributable to:		
Owners of the Company	113,705	
Non-controlling interests	143	113,848

Consolidated Statement of Changes in Equity

(From April 1, 2012, to March 31, 2013)

(Millions of yen)

	Share capital	Capital reserves	Treasury shares	Other capital reserves	Retained earnings
Balance at April 1, 2012	6,264	15,899	(10,928)	(2,505)	442,898
Comprehensive income/(loss) for the year					
Profit for the year					71,099
Other comprehensive income/(loss)					
Total comprehensive income/(loss) for the year					71,099
Transactions with owners					
Contributions by and distributions to owners					
Acquisition of treasury shares			(2)		
Disposal of treasury shares			218	(106)	
Dividends, Yen 65 per share					(28,045)
Change in non-controlling interests					
Share-based payments (Stock option)				299	
Total contributions by and distributions to owners			216	193	(28,045)
Total transactions with owners	―	―	216	193	(28,045)
Balance at March 31, 2013	6,264	15,899	(10,712)	(2,313)	485,953

	Net gain/(loss) on revaluation of available-for-sale financial assets	Exchange differences on translation of foreign operation	Share of other comprehensive income of associates	Accumulated other comprehensive income/(loss)	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance at April 1, 2012	186	(64,869)	(2,143)	(66,826)	384,802	(149)	384,653
Comprehensive income/(loss) for the year							
Profit for the year					71,099	143	71,242
Other comprehensive income/(loss)	384	42,051	171	42,606	42,606	1	42,606
Total comprehensive income/(loss) for the year	384	42,051	171	42,606	113,705	143	113,848
Transactions with owners							
Contributions by and distributions to owners							
Acquisition of treasury shares					(2)		(2)
Disposal of treasury shares					112		112
Dividends, Yen 65 per share					(28,045)	(134)	(28,178)
Change in non-controlling interests						(47)	(47)
Share-based payments (Stock option)					299		299
Total contributions by and distributions to owners					(27,636)	(181)	(27,817)
Total transactions with owners	―	―	―	―	(27,636)	(181)	(27,817)
Balance at March 31, 2013	569	(22,817)	(1,972)	(24,220)	470,872	(187)	470,685

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 17, 2013

To the Board of Directors of
HOYA CORPORATION

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Takashi Nagata

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yoshiaki Hatori

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Ichiro Sakamoto

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Kazuhiro Sota

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated statement of financial position as of March 31, 2013 of HOYA CORPORATION (the "Company") and its consolidated subsidiaries, and the related statements of comprehensive income and changes in equity for the fiscal year from April 1, 2012 to March 31, 2013, and the related notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the first paragraph of Article 120 of the Ordinance of Companies Accounting, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the consolidated financial statements referred to above, that are prepared in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the first paragraph of Article 120 of the Ordinance of Companies Accounting, present fairly, in all material respects, the financial position of the Company and consolidated subsidiaries as of March 31, 2013, and the results of their operations for the year then ended.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

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Non-consolidated Balance Sheet

(As of March 31, 2013)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		**(Liabilities)**	
Current assets	**170,579**	**Current liabilities**	**46,809**
Cash and deposits	80,527	Notes payable – trade	153
Notes receivable – trade	3,796	Accounts payable – trade	20,354
Accounts receivable – trade	40,219	Current portion of long–term debt	425
Marketable securities	9,398	Accounts payable – other	9,588
Merchandise and finished products	13,172	Accrued expenses	4,182
Work in process	3,034	Accrued income taxes	2,796
Raw materials and supplies	5,377	Advances received	218
Deferred tax assets	4,700	Deposits received	898
Short-term loans to subsidiaries and affiliates	28	Accrued bonuses to employees	4,027
Accounts receivable - other	6,247	Warranties provision	158
Short-term derivative assets	3,555	Accounts payable–facilities	2,685
Others	901	Others	1,325
Allowance for doubtful receivables	(374)		
Non-current assets	**126,201**	**Long-term liabilities**	**62,864**
Property, plant and equipment	**31,687**	Bonds	59,995
Buildings	8,763	Reserve for periodic repairs	896
Structures	641	Asset retirement obligations	1,250
Melting furnaces	185	Others	724
Machinery and equipment	5,886	**Total liabilities**	**109,673**
Vehicles	5	**(Net assets)**	
Tools, equipment and fixtures	8,388	**Shareholders' equity:**	**184,379**
Land	6,943	**Share capital**	**6,264**
Construction in progress	878	**Capital reserve**	**15,899**
Intangible assets	**6,543**	Additional paid-in capital	15,899
Patents	2,982	**Retained earnings**	**172,928**
Technology	2,201	Legal reserve	1,566
Software	1,213	Other retained earnings	171,362
Others	147	Reserve for special depreciation	31
Investments and other assets	**87,971**	Reserve for advanced depreciation of fixed assets	183
Investment securities	3,013	Unappropriated Retained earnings	171,148
Equity securities of subsidiaries and affiliates	71,669	**Treasury shares – at cost**	**(10,712)**
Investments in capital	2	**Valuation and translation adjustments**	**567**
Investments in subsidiaries and affiliates	7,121	Unrealized gain on available – for –sale securities	567
Long-term loans	169	**Stock acquisition rights**	**2,162**
Claims in bankruptcy	497		
Long-term prepaid expenses	127		
Deferred tax assets	2,005		
Lease deposits	4,000		
Others	932		
Allowance for doubtful accounts	(1,563)	**Total net assets**	**187,108**
Total assets	**296,780**	**Total liabilities and net assets**	**296,780**

Non-consolidated Statement of income

(From April 1, 2012, to March 31, 2013)

(Millions of yen)

Item	Amount	
Net sales		**251,341**
Cost of sales		**172,004**
Gross profit		**79,338**
Selling, general and administrative expenses		**63,649**
Operating income		**15,688**
Non-operating income		
Interest income	138	
Dividend income	11,780	
Commission received	9,479	
Foreign exchange gain	12,949	
Others	570	**34,915**
Non-operating expenses		
Interest expense	15	
Interest on bonds	1,352	
Others	90	**1,457**
Ordinary income		**49,146**
Extraordinary income		
Gain on sales of property, plant and equipment	1,626	
Gain on reversal of stock acquisition rights	162	
Gain on sales of subsidiaries and affiliates stocks	626	
Others	136	**2,550**
Extraordinary losses		
Loss on sales of fixed assets	60	
Loss on disposal of fixed assets	488	
Loss on write-down of investment securities	1,069	
Impairment losses	533	
Severance payments	1,714	
Others	508	**4,373**
Profit before income taxes		**47,323**
Income taxes–current	3,385	
Income taxes–deferred	10,211	**13,596**
Profit for the year		**33,727**

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2012, to March 31, 2013)

(Millions of yen)

	Shareholders' equity							
		Capital reserve		Retained earnings				
					Other retained earnings			
	Share capital	Additional paid-in capital	Total capital surplus	Legal reserve	Reserve for special depreciation	Reserve for advanced depreciation of fixed assets	Unappropri-ated retained earnings	Total retained earnings
Balance as of April 1, 2012	6,264	15,899	15,899	1,566	62	199	165,509	167,335
Changes during the current fiscal year								
Reversal of reserve for special depreciation					(31)		31	—
Reversal of reserve for advanced depreciation of fixed assets						(16)	16	—
Dividends from retained earnings							(28,045)	(28,045)
Profit for the year							33,727	33,727
Acquisition of treasury shares								
Disposition of treasury shares							(89)	(89)
Changes in items other than shareholders' equity during the current fiscal year - net								
Total changes during the current fiscal year	—	—	—	—	(31)	(16)	5,639	5,593
Balance as of March 31, 2013	6,264	15,899	15,899	1,566	31	183	171,148	172,928

	Shareholders' equity		Valuation and translation adjustments		Stock acquisition rights	Total net assets
	Treasury shares – at cost	Total shareholders' equity	Unrealized gain on available-for-sale securities	Total valuation and translation adjustments		
Balance as of April 1, 2012	(10,928)	178,570	185	185	2,041	180,797
Changes during the current fiscal year						
Reversal of reserve for special depreciation		—				—
Reversal of reserve for advanced depreciation of fixed assets		—				—
Dividends from retained earnings		(28,045)				(28,045)
Profit for the year		33,727				33,727
Acquisition of treasury shares	(2)	(2)				(2)
Disposition of treasury shares	218	129				129
Changes in items other than shareholders' equity during the current fiscal year - net			381	381	120	502
Total changes during the current fiscal year	216	5,809	381	381	120	6,311
Balance as of March 31, 2013	(10,712)	184,379	567	567	2,162	187,108

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 17, 2013

To the Board of Directors of
HOYA CORPORATION

Deloitte Touche Tohmatsu LLC

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Takashi Nagata

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Yoshiaki Hatori

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Ichiro Sakamoto

Designated Unlimited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Kazuhiro Sota

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements, namely, the balance sheet as of March 31, 2013 of HOYA CORPORATION (the "Company"), and the related statements of income and changes in net assets for the 75th fiscal year from April 1, 2012 to March 31, 2013, and the related notes and the accompanying supplemental schedules.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements and the accompanying supplemental schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the accompanying supplemental schedules based on our audit. We conducted our audit in accordance with auditing

standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accompanying supplemental schedules are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the accompanying supplemental schedules. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements and the accompanying supplemental schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements and the accompanying supplemental schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the accompanying supplemental schedules.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, the financial statements and the accompanying supplemental schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2013, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Japan.

Interest

Our firm and the engagement partners do not have any interest in the Company for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language and "the accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

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AUDIT REPORT

The members of the Audit Committee of the Company audited the performance of the Directors and Executive Officers of their duties during the 75th fiscal year from April 1, 2012 to March 31, 2013. We hereby report the method and results thereof:

1. AUDIT METHOD AND ITS CONTENTS

We received periodic reports from the Directors, Executive Officers and others concerning the state of construction and management of the system (internal control system) established in accordance with the resolutions of the Board of Directors concerning matters provided for in (b) and (e) of first item, first paragraph, Article 416 of the Companies Act, requested explanations and expressed its opinions as necessary.
In addition, we attended important meetings, received reports from Directors, Executive Officers and others on matters concerning the performance of their duties, requested explanations whenever necessary, inspected documentation of important decisions, etc. and investigated the state of activities and assets at the head office and major business offices of the Company in accordance with the audit policy and the assignment of duties, etc. established by the Audit Committee and in collaboration with the audit department of the Company.
Regarding internal controls over financial reports, we received reports on the evaluation of the internal controls and the state of audits from Executive Officers and others, as well as Deloitte Touche Tohmatsu LLC, and requested explanations as necessary.
With respect to subsidiaries, we communicated and exchanged information with directors and auditors thereof, and received business reports from the subsidiaries whenever necessary.
We also monitored the Company’s Independent Auditors to verify that they maintained a position of independence and conducted proper audits. We received reports from the Independent Auditors on the state of execution of their duties, and asked them for explanations whenever necessary. Additionally, we received from the Independent Auditors a letter that they were taking steps to build the System for Ensuring Adequate Execution of Duties (pursuant to the items of Article 131 of the Ordinance for Companies Accounting) in accordance with the Standards for Quality Control of Audit (Business Accounting Council, October 28, 2005), and asked the Independent Auditors for explanations whenever necessary.
Based on the method described above, we examined the business report, financial statements (consisting of the balance sheet, statement of income, statement of changes in total equity, and notes to financial statements), their supplementary schedules, and consolidated financial statements (consisting of the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity, and notes to consolidated financial statements, prepared by omitting certain items required to be disclosed by the International Financial Reporting Standards and pursuant to the provisions of the latter part of first paragraph, Article 120 of the Ordinance for Companies Accounting) for the current fiscal year.

2. AUDIT RESULTS

(1) Results of the audit of the business report, etc.

A. We are of the opinion that the business report and its supplementary schedules fairly present the state of the Company in accordance with laws, ordinances and the Articles of Incorporation

B. We are of the opinion that, in connection with the performance by the Directors or Executive Officers of their duties, no dishonest act or material fact of violation of laws, ordinances or the Articles of Incorporation exists.

C. We are of the opinion that the resolution of the Board of Directors concerning the internal control system was reasonable. We are also of the opinion that, in connection with the descriptions in the Business Report or the performance by the Directors or Executive Officers of their duties concerning said internal control system, no matter that needs to be pointed out exists.

(2) Results of the audit of the financial statements and their supplementary schedules

We are of the opinion that the method and results of the audit made by Deloitte Touche Tohmatsu LLC, the Company's Independent Auditors, are in order.

(3) Results of the audit of the consolidated financial statements

We are of the opinion that the method and results of the audit made by Deloitte Touche Tohmatsu LLC, the Company's Independent Auditors, are in order.

May 23, 2013

Audit Committee
HOYA CORPORATION

Yukiharu Kodama	Member of the Audit Committee
Yuzaburo Mogi	Member of the Audit Committee
Eiko Kono	Member of the Audit Committee
Itaru Koeda	Member of the Audit Committee
Yutaka Aso	Member of the Audit Committee

Notes: The Members of the Audit Committee, Yukiharu Kodama, Yuzaburo Mogi, Eiko Kono, Itaru Koeda, and Yutaka Aso, are outside directors as provided in the 15th item, Article 2 and third paragraph, Article 400 of the Companies Act.

Notice

Notice concerning online disclosure of HOYA Report

To enable better understanding of our business activities, HOYA CORPORATION discloses the Report online every year.
We plan to enhance the contents of the Report to provide easy-to-understand information about the HOYA Group.
The online HOYA Report 2013 will be available at our website around July. We hope you will find the Report useful.

Notice concerning report of resolutions and results of exercise of voting rights at the Ordinary General Meeting of Shareholders

HOYA CORPORATION will disclose the resolutions along with the results of exercise of voting rights on our website.

Our Website : http://www.hoya.co.jp/english/

Shareholders' Memo

Business year:	From April 1 every year to March 31 of the following year
Date to determine shareholders who are entitled to receive year-end dividend payments	March 31
Date to determine shareholders who are entitled to receive interim dividend payments	September 30
Ordinary General Meetings of Shareholders:	June every year
Transfer agent Account management institution for the special accounts	Mitsubishi UFJ Trust and Banking Corporation
Contact	Corporate Agency Division Mitsubishi UFJ Trust and Banking Corporation 7-10-11 Higashisuna, Koto-ku, Tokyo 137-8081, Japan Toll free phone: 0120-232-711
Market:	The Tokyo Stock Exchange
Method for public notice:	Electronic Public Notice URL for the notice: http://www.hoya.co.jp/ (However, if the Company is unable to publish public notices by electronic means because of an accident or any other unavoidable event, public notices shall be published in the *Nihon Keizai Shimbun*.)