

July 2, 2007

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Announcement Concerning PENTAX Corporation's Approval
of the Tender Offer by HOYA CORPORATION

At the board meeting held on July 2, 2007, PENTAX Corporation (hereinafter referred to as "PENTAX") has resolved to approve the tender offer by HOYA CORPORATION (hereinafter referred to as the "Tender Offeror") to purchase all shares of PENTAX (hereinafter referred to as the "Tender Offer"). This resolution is based on the premises that, after the completion of Tender Offer, the Tender Offeror plans to make PENTAX into a wholly-owned subsidiary of HOYA CORPORATION and PENTAX's shares will be delisted from the Tokyo Stock Exchange.

1. [Overview of the Tender Offeror]

- (1) Company Name: HOYA CORPORATION
- (2) Areas of Business: Manufacturing and sales of electro-optics, eye-care, and health care products
- (3) Date of Establishment: August 23, 1944
- (4) Headquarters: 2-7-5 Naka-Ochiai, Shinjuku-ku, Tokyo
- (5) Representative: Hiroshi Suzuki, President and CEO
- (6) Paid-in Capital: 6,264 million yen
- (7) Major share holders and shareholding Ratio (as of March 31, 2007)
 - Japan Trustee Services Bank, Ltd. (in trust): 6.75%
 - The Master Trust Bank of Japan, Ltd. (in trust): 5.40%
 - The Chase Manhattan Bank N.A., London: 3.31%
 - State Street Bank and Trust Company 505103: 2.73%
 - The Dai-Ichi Mutual Life Insurance Company: 2.65%
 - State Street Bank and Trust Company: 2.41%
 - Nippon Life Insurance Company: 2.29%
 - Mamoru Yamanaka: 2.07%
 - The Chase Manhattan Bank 385036: 2.03%
 - Deutsche Bank Trust Company Americas: 1.80%
- (8) Relationships between Integrating Companies
 - Capital relationships: HOYA CORPORATION holds 1,000 shares of PENTAX
 - Personal relationships: Yukio Ohara (President of HOYA Service Corporation, an affiliated company of the Tender Offeror) and George Stuart Souther (General Counsel of HOYA CORPORATION, employee of the Tender Offeror) were

elected as directors of PENTAX Corporation at the 77th general shareholders meeting held on June 27, 2007, such election to take effect only if the Tender Offeror files a large scale acquisition report (*tairyō hoyū hōkokusho*) with the Kanto Local Finance Bureau stating to the effect that its share certificates etc. holding ratio (as defined in Article 27-23, section 4 of the Securities Exchange Law) in respect of the Company has exceed 50% and only as of the date of such filing.

Business relationships: The two companies have dealings with respect to certain products
Relationships between people concerned: N/A

2. [Content of, Grounds, and Reasons for Opinion concerning this Tender Offer]

(1) Content of opinion concerning Tender Offer

The Company resolved at a meeting of its Board of Directors held on July 2, 2007 to express approval for the Tender Offer for the Company's shares by Tender Offeror. Accordingly, the Company recommends tendering of the Company's shares.

(2) Reasons for opinion concerning Tender Offer

The Tender Offeror started as an optical glass manufacturer, and has been expanding its businesses by leveraging optical materials and precision processing technologies. It has created a global niche market through aggressive technological innovations, and has established leadership in its areas of expertise, resulting in strong earnings. The Tender Offeror maintains a leading position globally in the information technology area for its semiconductor-related mask blanks and glass disk substrates for hard disk drives, and is positioned as one of the leading manufacturers in optical glass and lenses. It also maintains a leading position in the eye care field, including eyeglass lenses. The Tender Offeror continues to cultivate new business areas, has positioned medical-related areas as a key factor to long-term core growth drivers, and has initiated global business development of intraocular lenses used for treating cataracts.

The Company has successfully leveraged its long-accumulated know-how attained through the development and manufacturing of cameras and lenses, and by adapting its optical design and image processing technology for use in a variety of product areas as the core of this optical technology, it has developed businesses that are supported by its technological prowess in the optical and precision instruments field. In the life care business, the Company has made early progress in developing a leading global position in the production of endoscopes, and it is also marketing globally various other products such as medical accessories and new ceramics for bone grafts. In its optical components business, the Company has demonstrated its competitive edge in advanced optical technologies, where its major products include digital camera modules and DVD/CD convertible pickup lenses, and has also built a strong global brand with digital cameras in its imaging systems division.

The Company's biggest strength comes from operating its imaging system business, life care business, and optical goods business (hereinafter, the "Three Core Businesses") as one unit based on the precision and optical technologies that comprise its core technologies. By operating the Three Core Businesses as one unit, each business has managed to reap synergistic effects, thereby greatly contributing to maximization of corporate value.

However, global competition is intensified in the areas of the Three Core Businesses. Technological development, product development, cost reductions, marketing and other reforms must be carried out in order to beat the ever-intensifying competition, and a large amount of costs for research and development and investments will be necessary in order to sustain growth. In order to achieve this, the Company was faced with the issue of finding a partner who can share the concept of the unified operation of the Three Core Businesses, which

represent its greatest strength, and has management resources, such as ample funds for investment.

As a result of analysis and examination of the above and conducting thorough consultations and negotiations over a long period with the Tender Offeror, the Company decided that corporate value of the two companies will be further enhanced by leveraging the management resources of both companies in a mutually complementary manner to develop appealing products by combining the two companies' strengths and providing products to a broader customer base. In addition, the Company believes that, through establishing a solid management foundation by utilizing management resources of the Company and the Tender Offeror in a mutually complementary manner under the Tender Offer, improved satisfaction and opportunities for growth will be provided to stakeholders, including the Company's group customers, employees, and business partners.

Based on the above-mentioned analysis and examination, the Tender Offeror and the Company concluded an Agreement regarding Management Integration (hereinafter, the "Management Integration Agreement") dated May 31, 2007 to conduct the Tender Offer of all of the Company's Common Stock, Stock Acquisition Rights, and Bonds With Stock Acquisition Rights by the Tender Offeror. Subsequently, on June 15, 2007, they concluded an amendment agreement to amend some of the terms of the Management Integration Agreement (hereinafter, the "Amendment Agreement"), such as the commencement period of the Tender Offer, the minimum number of shares intended to be purchased, and the purchase price of the Company's common stock. The Tender Offer will be conducted in accordance with the Management Integration Agreement and the Amendment Agreement.

Further, the Tender Offeror and the Company agreed in the Management Integration Agreement that, during a period in which the Tender Offeror and the Company will discuss and consider the best form of both companies after a complete integration of the management of both companies upon the completion of the Tender Offer, the Company's group will operate its business affairs based on the following policies:

(1) Maintenance and development of the synergies of the Three Core Businesses

The Company shall conduct its business while maintaining its independent corporate status and trade name in order to maintain and develop the synergies occurring in the Company's Three Core Businesses that are based on the common foundation of precision and optical technologies. In addition, aggressive efforts will be made to maintain and advance the PENTAX brand.

(2) Business operations

Executive officers appointed by the Company and agreed upon by the Tender Offeror and the Company shall conduct the business of the Company. General Managers of each division (holding dual positions as the foregoing executive officers) shall be responsible for the operation and profits of the Three Core Businesses, and the president (selected from among the executive officers upon separate consultation and agreement between the Tender Offeror and the Company) shall supervise them.

(3) Employment

No dismissals for the purpose of reorganization shall be made, unless deemed necessary by the president of the Company or General Managers of the divisions, or unless it is clearly necessary in light of the circumstances of the particular business division.

Based on the merger ratio that allocates 0.158 shares of the Tender Offeror's common stock per share of the Company's common stock agreed to in the Memorandum of Understanding Regarding the Merger (hereinafter, the "Memorandum of Understanding") executed by the Company and the Tender Offeror on December 21, 2006 (hereinafter, the "Merger Ratio"), the Tender Offeror determined that the purchase price per share of common stock in the Tender Offer (hereinafter, the "Purchase Price") will be a price including an additional premium.

The Purchase Price represents a premium of approximately 19.94% of the Company's closing price of JPY 642 on the Tokyo Stock Exchange, Inc. on December 20, 2006, the day

immediately preceding the day on which the Memorandum of Understanding was concluded by the Tender Offeror and the Company, and also represents a premium of approximately 37.75% over the simple average closing price of JPY 559 (rounded to the nearest yen) on the Tokyo Stock Exchange, Inc. for the three-month period from September 21, 2006 until December 20, 2006.

In addition, the Tender Offeror determined that the purchase price for Bonds With Stock Acquisition Rights of the Company in the Tender Offer is 1,433,056 yen per bond, which was obtained by dividing 1,005,000 yen (issue price of each bond) by 540 yen (convertible price) and multiplying by 770 yen (the Purchase Price). In addition, if the Tender Offer is successfully completed, any Bonds With Stock Acquisition Rights that were not tendered under the Tender Offer will be subject to early redemption at their face value of 1,000,000 yen in accordance with the early redemption clause of the Bonds with Stock Acquisition Rights. The purchase price per Bond With Stock Acquisition Rights in the Tender Offer represents a premium of approximately 43.31% over the early redemption amount of 1,000,000 yen.

(3) Reasons for the opinion concerning Tender Offer

The Tender Offeror will conduct the Tender Offer of all of the Company's issued Common Stock, all Bonds With Stock Acquisition Rights, and all Stock Acquisition Rights at the Purchase Price of 770 yen per share of the Company's Common Stock .

In connection with its consideration of the Tender Offer, The Board of Directors of the Company obtained an evaluation report regarding the value of the Company's shares and other securities from Mizuho Securities Co., Ltd., a third party appraiser. The report contains analyses using the discounted cash flow (DCF) method, the comparable company method, and the historical stock price method regarding the Company's stock price. In addition, the Company's Board of Directors received advice from the law firm of Mori Hamada & Matsumoto and fully discussed the Tender Offer from the point of view of the Company's corporate value and shareholders' interest, referring to this information. As a result, the Board of Directors determined that the terms and conditions of the Tender Offer were reasonable, and the directors present unanimously resolved to support the Tender Offer.

(4) Plans after the Tender Offer

The Tender Offeror believes that, together with establishing a strong management foundation through leveraging the management resources of the two companies in a mutually complementary manner, it is necessary to execute a complete integration of the management of both companies by making the Company a wholly-owned subsidiary in order to create synergies and accelerate business growth for the future. Therefore, if the Tender Offeror fails to acquire all of the Company's shares through the Tender Offer, the Tender Offeror contemplates to make the Company a wholly-owned subsidiary after the Tender Offer using a means it considers appropriate, including a share exchange (*kabushiki koukan*) or other business reorganization transaction, considering any effect on taxes or accounting in connection with the integration of the Tender Offeror and the Company, the determination of the applicability of the continuing disclosure requirements under the United States Securities Exchange Act of 1934, and existing agreements with third parties. The Tender Offeror and the Company plan to determine the price offered for the Company's shares in any such transaction giving due consideration to the Purchase Price and to the market price of the Tender Offeror's stock, while comprehensively considering various analyses and taking into consideration the interests of the shareholders of both companies so that they are not damaged, after requesting another assessment by a third party institution.

(5) Possibility of delisting

Since no upper limit is set for the number of shares to be purchased in the Tender Offer, there is a possibility that, as a result of the Tender Offer, the Company's shares will be delisted in accordance with the prescribed procedures pursuant to the standards for delisting shares

established by the Tokyo Stock Exchange, Inc. If such standards do not apply but the Tender Offeror fails to acquire all of the Company's shares through the Tender Offer, considering any effect on taxes or accounting in connection with the integration of the Tender Offeror and the Company, the determination of the applicability of the continuing disclosure requirements under the United States Securities Exchange Act of 1934, and existing agreements with third parties, the Tender Offeror intends to make the Company a wholly-owned subsidiary after the Tender Offer using a means it considers appropriate, including a share exchange or other business reorganization transaction. In such case, the Company's shares will be delisted.

If delisted, the Company's shares will no longer be traded on the Tokyo Stock Exchange, Inc. and it is expected that selling the Company's shares in the future will be difficult.

3. [Details of Profit Sharing by Offering Party or Its Special Related Parties]

Not applicable.

4. [Policy for Addressing Basic Policies of Controlling the Company]

The Tender Offeror and the Company agreed in the Management Integration Agreement that the Company shall not trigger any anti-takeover measures (including the Trust-Type Rights Plan approved and implemented by the General Shareholders' Meeting of the Company held on June 24, 2005) without the prior written consent of the Tender Offeror.

Further, the Company's Board of Directors approved a resolution on May 31, 2007, after the conclusion of the Management Integration Agreement, and on June 15, 2007, after the conclusion of the Amendment Agreement, as a condition of the Tender Offer in accordance with the Management Integration Agreement to redeem and cancel the Stock Acquisition Rights pertaining to the Trust-Type Rights Plan without compensation on the day following the end of the period of the Tender Offer, and that there is no risk that the Tender Offeror's acquisition or possession of the Company's shares will conflict with maximizing the corporate value of the Company.

5. [Questions for the Offering Party]

Not applicable.

6. [Request to Extend the Tender Offer Period]

Not applicable.