

Notice on Conclusion of Shareholders Agreement concerning a Partial Transfer of the Shares of Consolidated Subsidiary for the Purpose of Forming Alliance with HOYA CORPORATION

Following the “Basic Agreement on Strategic Alliance in the Eyewear Products Business” concluded with HOYA Corporation (2-7-5, Naka-Ochiai, Shinjuku-ku, Tokyo, Japan, President and CEO Hiroshi Suzuki, “HOYA”) as of April 10, 2012, we have been engaged in discussion with HOYA concerning the terms of the strategic alliance for promoting globally the sales of eyewear products, including a partial transfer of the shares of Seiko Optical Products Co.,Ltd. (9-9, Hatchobori 1-chome, Chuo-ku, Tokyo, Japan, President Takashi Wakuyama, “SOP”), a wholly owned subsidiary of Seiko Holdings Corporation (“SHD”) in the business of marketing eyewear products.

Today, certain Shareholders Agreement was concluded as follows for the above mentioned strategic alliance as well as the partial transfer of SOP shares to HOYA based upon the resolution of SHD’s Board of Directors.

1. Objective for the Alliance and the Partial Transfer of Shares

SHD and HOYA agreed that, by promoting further the sales of the Seiko branded optical lens and the other eyewear products through making use of the respective party’s management resources such as the value of the Seiko brand, SOP’s executives and employees, and HOYA’s global manufacturing and marketing capabilities, both parties will benefit and the parties therefore concluded certain Shareholders Agreement involving the joint venture and the strategic alliance.

2. Framework of the Strategic Alliance and the Joint Venture

(1) About the Strategic Alliance

SHD, SOP and HOYA aim to enhance the enterprise value of each company by forming and strengthening the strategic alliance through effective utilization of their respective management resources to promote the global sales of eyewear products, the details of which shall be discussed and determined among the parties.

(2) About the Joint Venture

As of February 1, 2013, SHD shall transfer to HOYA 30% (9,000 shares) of the outstanding and issues shares (30,000 shares) of SOP, which shares are currently owned 100% by SHD. An additional share transfer from SHD to HOYA involving 20% (6,000 shares) of the SOP’s shares shall take place effective as of March 31, 2014 (tentative), thereby making HOYA’s ownership of SOP 50% (15,000 shares).

3. About HOYA

(1)Name: HOYA CORPORATION

(2) Head Office: 2-7-5, Naka-Ochiai, Shinjuku-ku, Tokyo, Japan

(3) Business:

Hoya is a Japanese multinational company and the leading supplier of innovative precision products based on its optics technologies. Hoya is active in the fields of Life Care and Information Technology providing eyeglasses, medical endoscopic system, intraocular lenses, optical lenses

as well as key components for the semiconductor devices, LCD panels and HDDs.

(4) Capital: JPY 6,264 million

(5) Date of Incorporation: August 23, 1944

4. Timetable

(1) Resolution by the Board of Directors on the Shareholders Agreement: November 16, 2012

(2) Execution of the Shareholders Agreement: November 16, 2012

(3) Closing and the Transfer of Shares: February 1, 2013 (tentative)

(4) Additional Closing and the Additional Transfer of Shares: March 31, 2014 (tentative)

5. Financial Outlook

Because the price of the shares to be transferred is not definitive at this time, the amount of profit or loss due to the share transfer cannot be determined, provided that the financial impact of the other aspects of this transaction is believed to be insignificant. Once the additional transfer of shares is consummated as of March 31, 2014 as currently envisaged, SOP shall become no longer consolidated with SHD.