



Financial Results for the Year Ended March 31, 2009

Conference in Tokyo (May 13, 2009)
NIKON CORPORATION

Forward-looking statements for earnings and other performance data contained herein are based on information currently available to the Company, and all potential risks and uncertainties are taken into account. The Company asks that investors understand that changes in conditions may cause actual performance to significantly differ from these projections.

Agenda

- I . **Financial Results for the Year Ended March 31,2009**
- II . **Estimation for the Year Ending March 31,2010**
- III . **Reference Data**

Financial Highlights for the Year Ended March 31, 2009



Billions of yen	08/3 (A)	1H 2H	Previous Forecast as of Feb 5th (B)	1H 2H	09/3 Actual (C)	1H 2H	Change (C-A)	Change (C-B)
Net Sales	955.8	<u>445.8</u> 510.0	860.0	<u>487.1</u> 372.9	879.7	<u>487.1</u> 392.6	-76.1	+19.7
Operating Income % vs Net Sales	135.2 14.1%	<u>63.3</u> 71.9	44.0 5.1%	<u>54.1</u> -10.1	48.2 5.5%	<u>54.1</u> -5.9	-87.0	+4.2
Ordinary Income % vs Net Sales	120.1 12.6%	<u>58.9</u> 61.2	42.0 4.9%	<u>53.1</u> -11.1	47.7 5.4%	<u>53.1</u> -5.4	-72.4	+5.7
Net Income % vs Net Sales	75.5 7.9%	<u>34.4</u> 41.1	24.0 2.8%	<u>33.6</u> -9.6	28.1 3.2%	<u>33.6</u> -5.5	-47.4	+4.1
Exchange Rate (yen) US\$ EURO	114 162	<u>119</u> 109 <u>162</u> 161	100 142	<u>106</u> 93 <u>163</u> 121	101 144	<u>106</u> 95 <u>163</u> 125	Financial Impact for Net Sales - 83.4 billions of yen + 6.6 billions of yen Financial Impact for Operating Income - 41.4 billions of yen + 1.6 billions of yen	

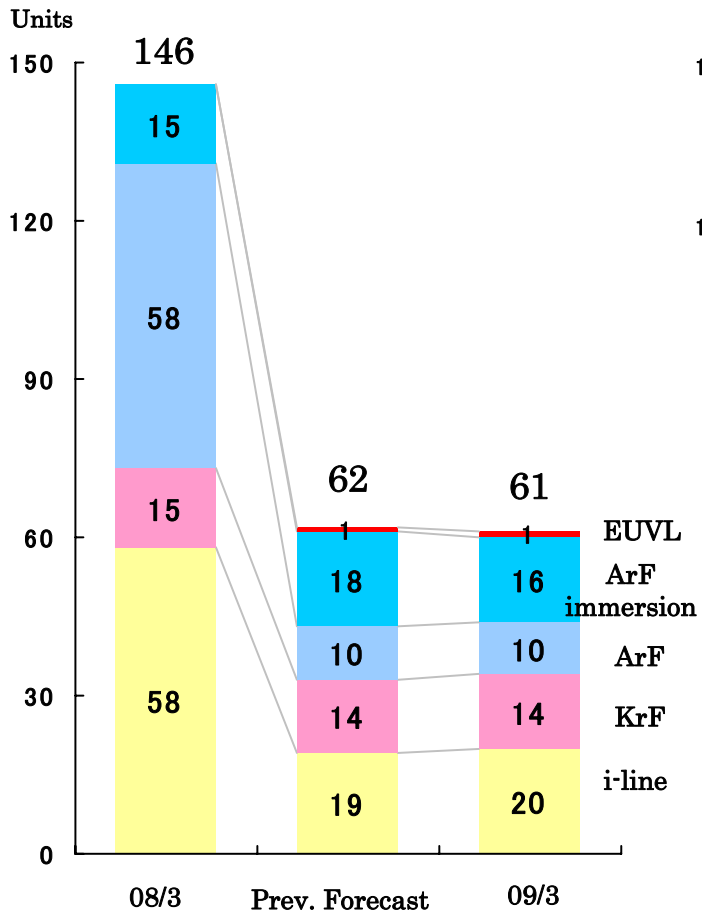
Rapid economic deterioration and appreciating yen from last Autumn hit achievements directly for the 2H business performance.

Decline by 8% in revenue and 60% level in profit on y/y basis.

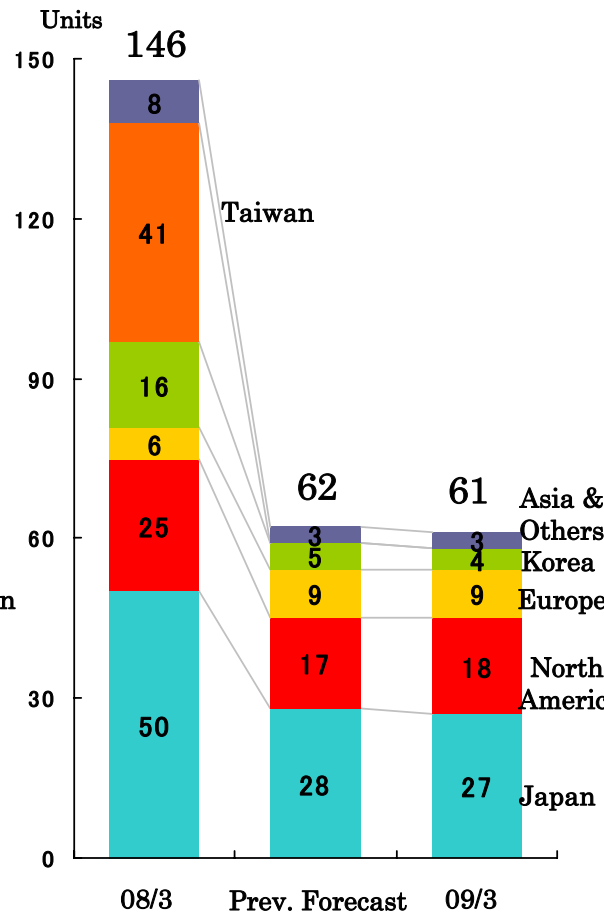
Billions of yen	08/3 Actual Result	1H 2H	Previous Forecast as of Feb 5th	1H 2H	09/3 Actual Result	1H 2H
Net Sales	290.8	<u>140.4</u> 150.4	230.0	<u>117.2</u> 112.8	219.9	<u>117.2</u> 102.7
Operating Income <small>% vs Net Sales</small>	43.3 14.9%	<u>21.3</u> 22.0	11.0 4.8%	<u>12.2</u> - 1.2	8.0 3.6%	<u>12.2</u> - 4.2
IC Steppers & Scanners New / Refurbished	146/18units	<u>68/10</u> 78/ 8	62/18units	<u>32/10</u> 30/ 8	61/17units	<u>32/10</u> 29/ 7
LCD Steppers & Scanners	45units	<u>24</u> 21	65units	<u>37</u> 28	65units	<u>37</u> 28
IC Steppers & Scanners Market Scale CY07/08	564units		296units		296units	
LCD Steppers & Scanners (TFT-array Only) Market Scale CY07/08	est.70units		est.110units		est.110units	

Though LCD Steppers & Scanners sales increase by 40% compared to previous term, IC Steppers & Scanners business shows significant decrease, and decline by 24% in revenue and 82% in profit.

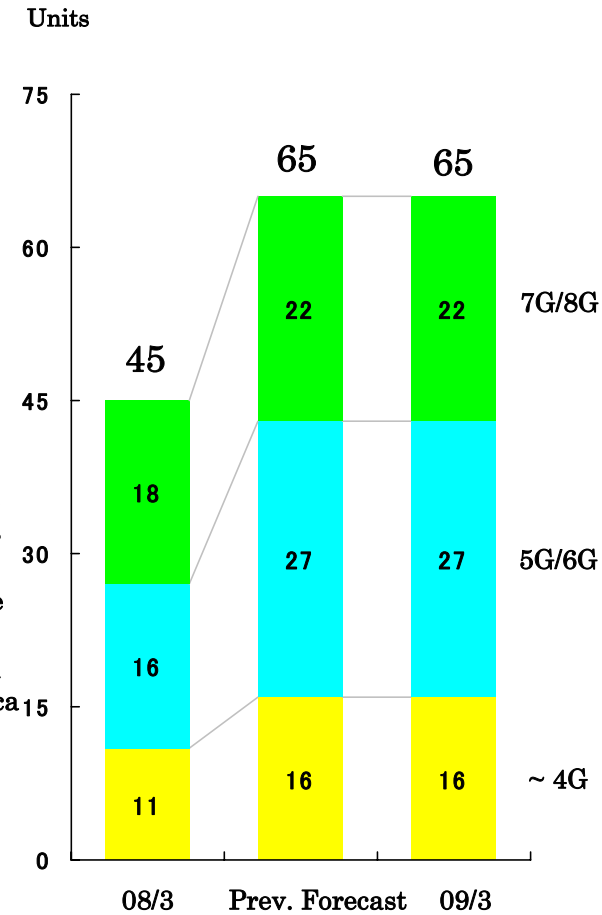
IC Steppers & Scanners Sales by Technology



IC Steppers & Scanners Sales by Region



LCD Steppers & Scanners Sales by Generation



Imaging Company



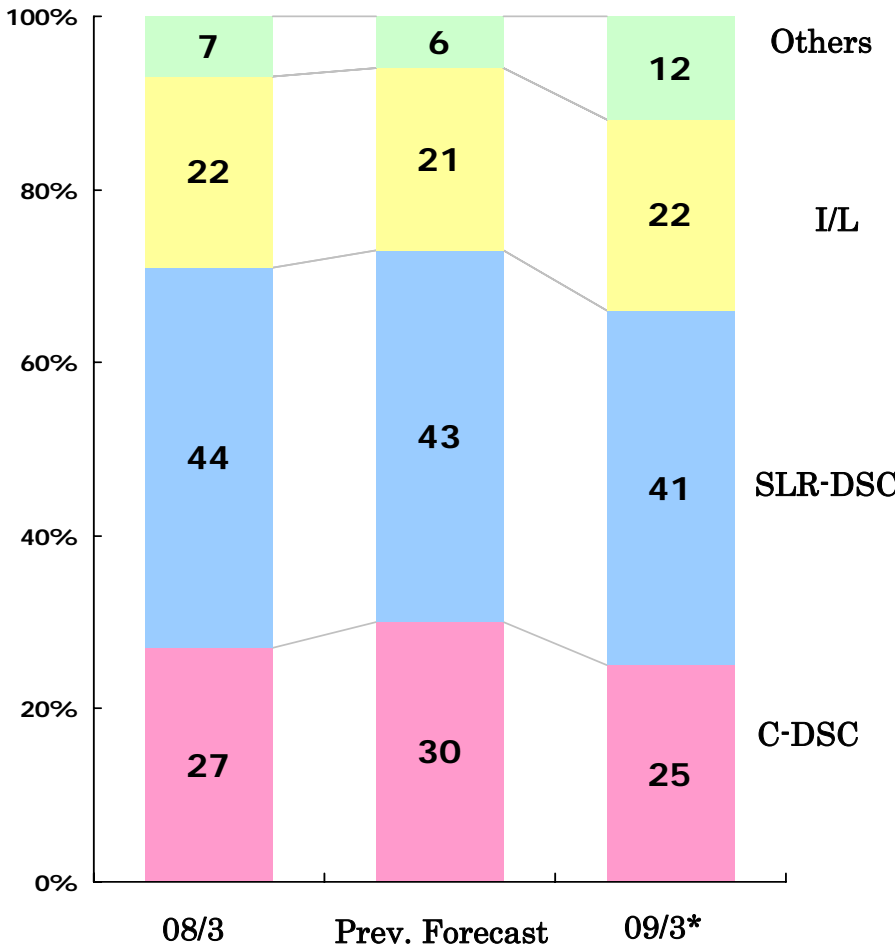
Billions of yen Cameras & Lenses (1,000 of units shipped)	08/3 Actual Result	1H 2H	Previous Forecast as of Feb 5th	1H 2H	09/3 Actual Result	1H 2H
Net Income	586.1	<u>270.3</u> 315.8	570.0	<u>337.2</u> 232.8	596.5	<u>337.2</u> 259.3
Operating Income % vs Net Sales	84.0 14.3%	<u>38.8</u> 45.2	35.0 6.1%	<u>42.0</u> - 7.0	40.0 6.7%	<u>42.0</u> - 2.0
Single-lens Reflex DSC	3,090	<u>1,470</u> 1,620	3,300	<u>1,870</u> 1,430	3,420*	
Interchangeable Lenses	4,450	<u>2,200</u> 2,250	4,600	<u>2,630</u> 1,970	4,870*	
Compact DSC	8,550	<u>4,030</u> 4,520	10,000	<u>5,910</u> 4,090	10,330*	
SLR-DSC Market Scale	7,720		9,500		9,130	
IL Market Scale	13,070		16,000		14,800	
C-DSC Market Scale	98,570		110,000		103,690	

52% y/y profit decline due to 2H performance deterioration. As for Net Sales of entire year, 2% increase in revenue and achieve record high. Slightly lower than 20 billions of yen reduction in year-end inventory compared to previous term by production adjustment in 4Q.

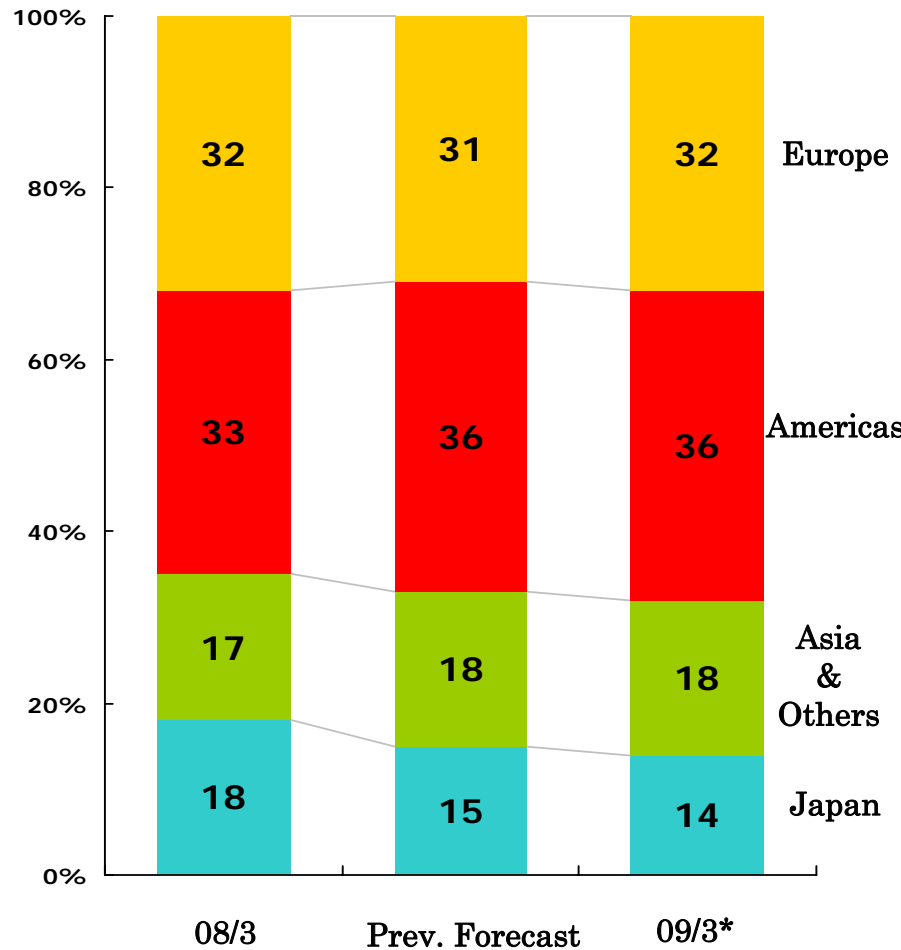
* 09/3: Sales Units



Shipment value ratio by Product



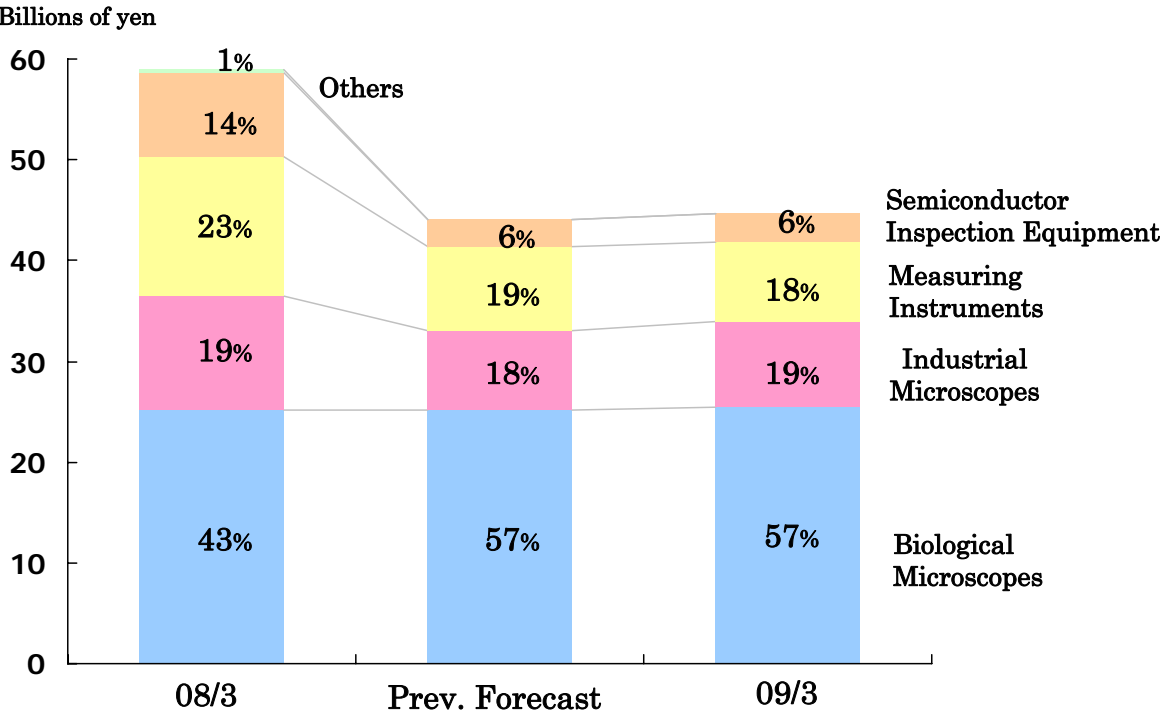
Shipment value ratio by Region



* 09/3 shows sales value ratio by Product and Region.



Billions of yen	08/3	<u>1H</u> <u>2H</u>	Previous Forecast as of Feb 5th	<u>1H</u> <u>2H</u>	09/3	<u>1H</u> <u>2H</u>
Net Sales	59.0	<u>26.3</u> 32.7	44.0	<u>23.2</u> 20.8	44.6	<u>23.2</u> 21.4
Operating Income <small>% vs Net Sales</small>	4.1 6.9%	<u>0.9</u> 3.2	- 3.0 -%	<u>- 1.3</u> - 1.7	- 2.7 -%	<u>- 1.3</u> - 1.4

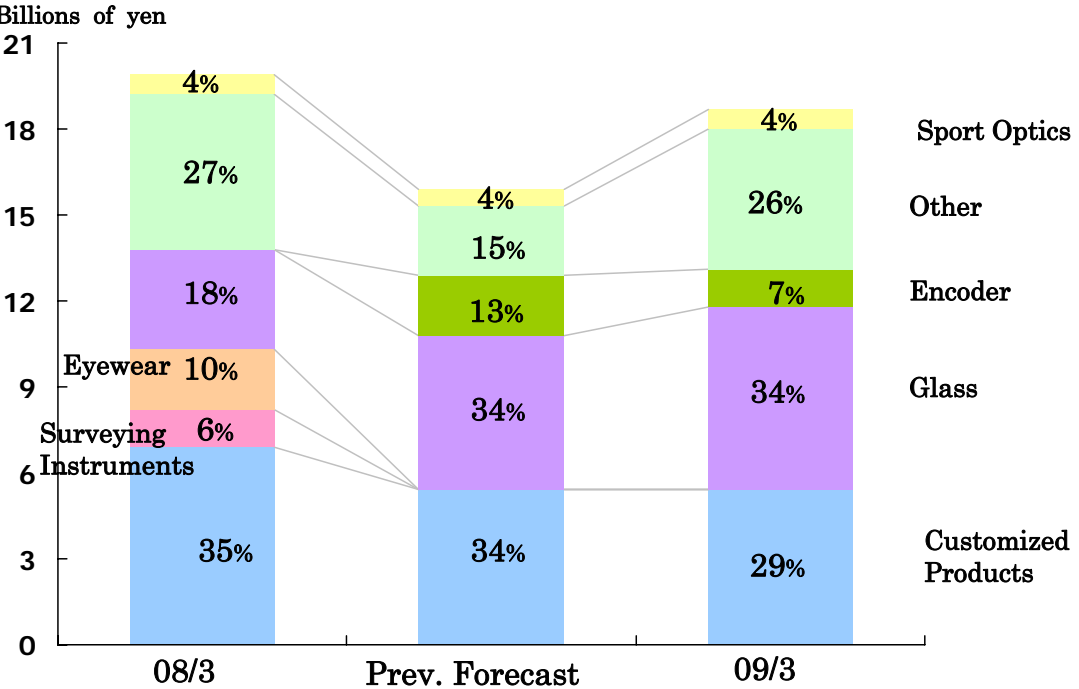


Biological Microscopes business shows steady performance. Industrial equipments business gets strong impact from decline of Capital Expenditure.

Other Businesses



Billions of yen	08/3	1H 2H	Previous Forecast as of Feb 5th	1H 2H	09/3	1H 2H
Net Sales	19.8	$\frac{8.9}{10.9}$	16.0	$\frac{9.6}{6.4}$	18.7	$\frac{9.6}{9.1}$
Operating Income % vs Net Sales	3.6 18.2%	$\frac{2.5}{1.1}$	1.0 6.3%	$\frac{1.5}{-0.5}$	2.9 15.5%	$\frac{1.5}{1.4}$



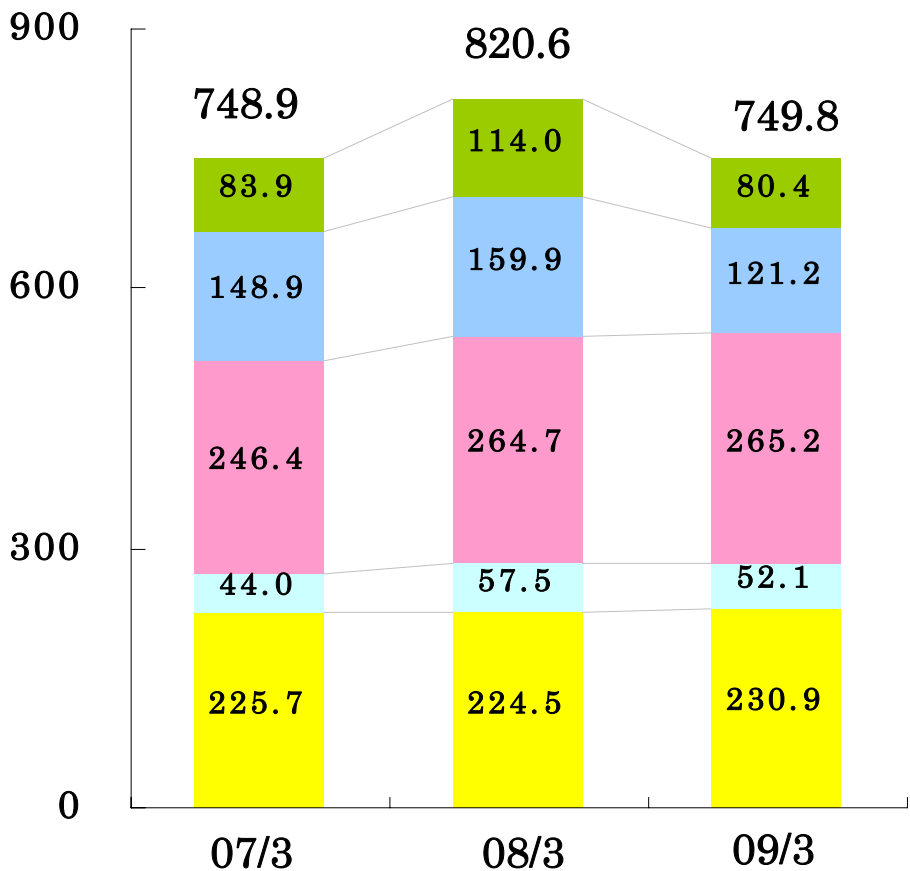
Photomask substrates for LCD in Glass business shows sales expansion.

Balance Sheet



Assets

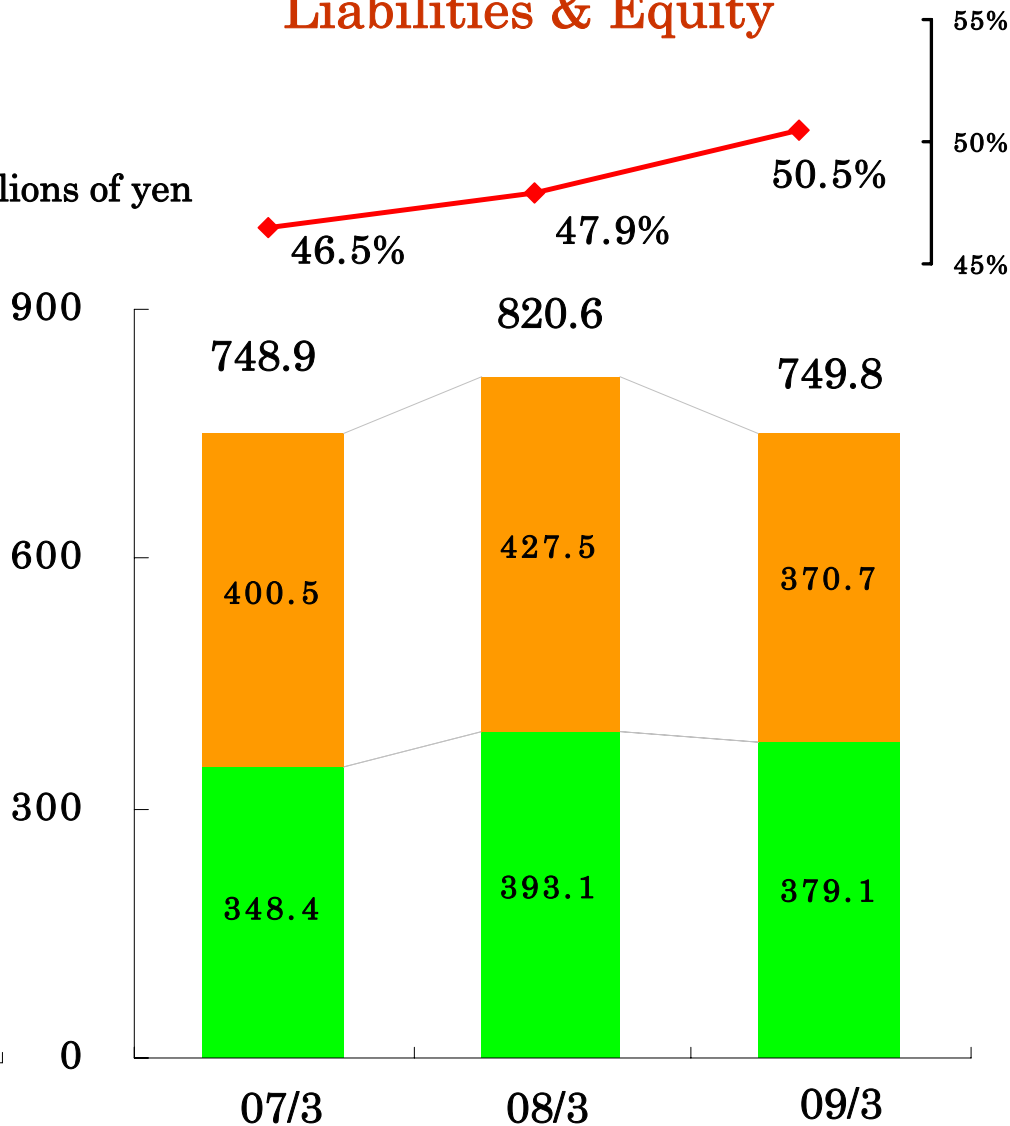
Billions of yen



- Cash & time deposit
- Notes & accounts Receivable-trade
- Inventories
- Other current assets
- Fixed Assets

Liabilities & Equity

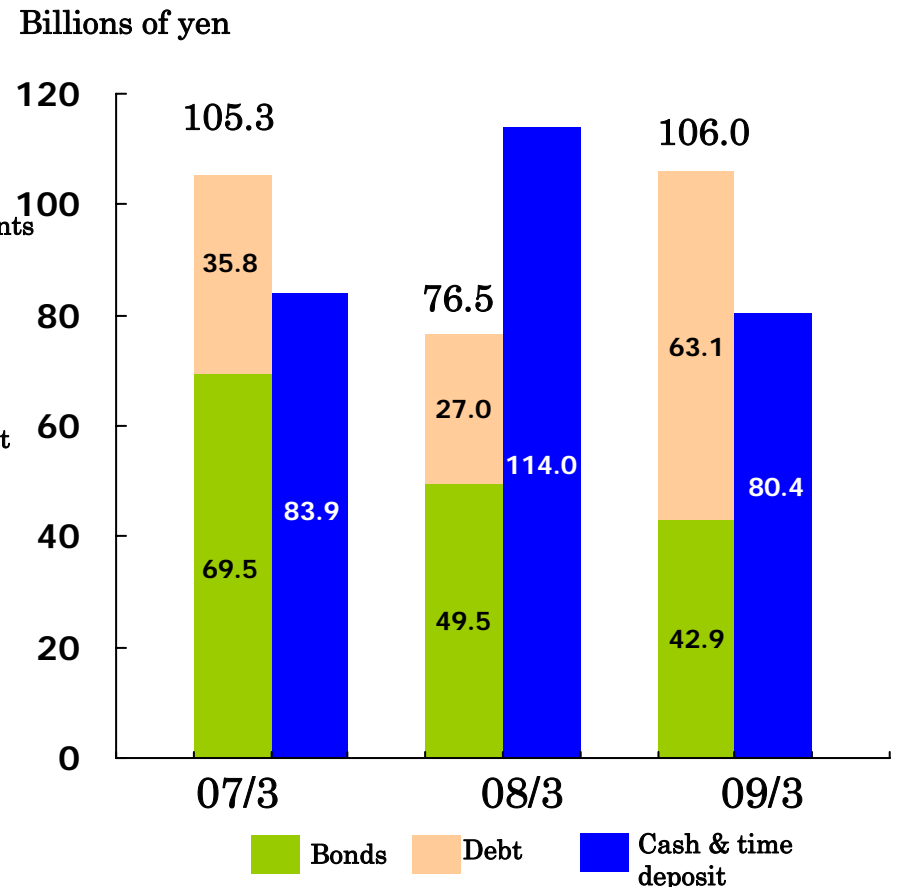
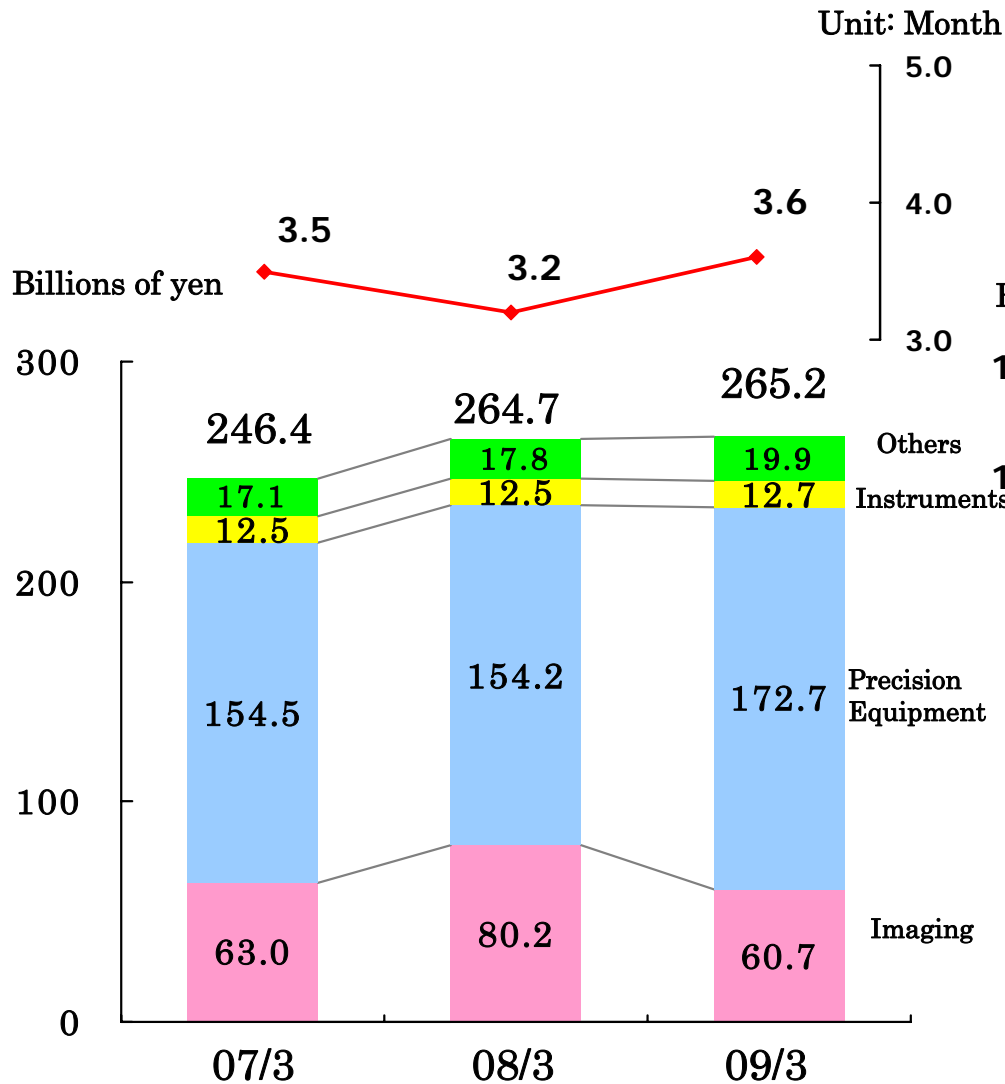
Billions of yen



- Total Equity
- Total Liabilities
- ◆ Capital ratio

Inventory & Turnover

Interest-bearing debt & D/E ratio



Decline in revenue and profit due to impact of global economic deterioration and rapid appreciation of yen.

-Precision Equipment Company:

Though LCD Steppers & Scanners sales make a recovery , IC Steppers & Scanners, especially ArF-dry , show significant drop in sales.

-Imaging Company:

Achieve record high in Net Sales and decrease inventory by drastic production adjustment under severe market conditions.

Cash dividend per share of common stock

2nd Half : 5.5 yen

Entire year: 18yen

(decrease of 7 yen compared to previous year)

Agenda

I. Financial Results for the Year
Ended March 31,2009

II. Estimation for the Year Ending
March 31,2010

III. Reference Data

Actions for corporate structure enhancement

Push through structural reforms immediately to generate sustainable growth even under a severe business environment.

Cut in fixed cost

- Global restructuring of business locations
- Further cut of expenses including advertising expense

Further cost down by procurement rationalization and acceleration of overseas procurement

Implement steady Capital Investment and R&D for highly selected subjects.

Estimation for the year ending March 31, 2010



Billions of yen	09/3 Actual	1H 2H	10/3 Estimation	1H 2H	Change
Net Sales	879.7	<u>487.1</u> 392.6	680.0	<u>320.0</u> 360.0	-199.7
Operating Income % vs Net Sales	48.2 5.5%	<u>54.1</u> -5.9	-12.0 -%	<u>-14.0</u> 2.0	-60.2
Ordinary Income % vs Net Sales	47.7 5.4%	<u>53.1</u> -5.4	-16.0 -%	<u>-16.0</u> 0	-63.7
Net Income % vs Net Sales	28.1 3.2%	<u>33.6</u> -5.5	-17.0 -%	<u>-15.0</u> -2.0	-45.1
Exchange Rate (yen) US\$ Euro	101 144	<u>106</u> 95 <u>163</u> 125	95 125		Financial Impact for Net Sales est. -32.0 Financial Impact for Operating Income est. -21.0

Push through structural reforms for growth in the next term under a severe business environment.

Estimate Operating Loss since 99/3.

Estimation for Precision Equipment Company

Billions of yen	09/3 Actual	1H 2H	10/3 Estimation	1H 2H
Net Sales	219.9	<u>117.2</u> 102.7	140.0	<u>60.0</u> 80.0
Operating Income <small>% vs Net Sales</small>	8.0 <small>3.6%</small>	<u>12.2</u> - 4.2	- 33.0 <small>-%</small>	<u>- 18.0</u> - 15.0
IC Steppers & Scanners New / Refurbished	61/17 units	<u>32/10</u> 29/ 7	40/13 units	<u>17/5</u> 23/8
LCD Steppers & Scanners	65 units	<u>37</u> 28	36 units	<u>14</u> 22
IC Steppers & Scanners Market Scale CY08/09	296 units		est. 90 units	
LCD Steppers & Scanners (TFT-array Only) Market Scale CY08/09	est. 110 units		est. 70 units	

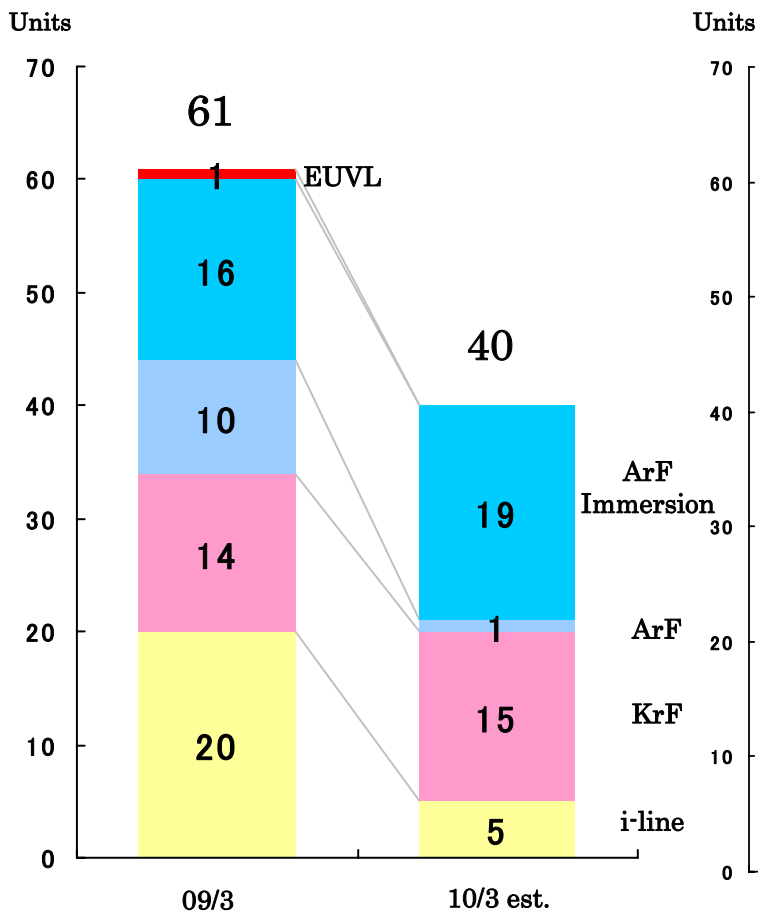
Assume no recovery of business environment for both IC Steppers & Scanners and LCD Steppers & Scanners business during 10/3.

Estimate Operating Loss since 04/3.

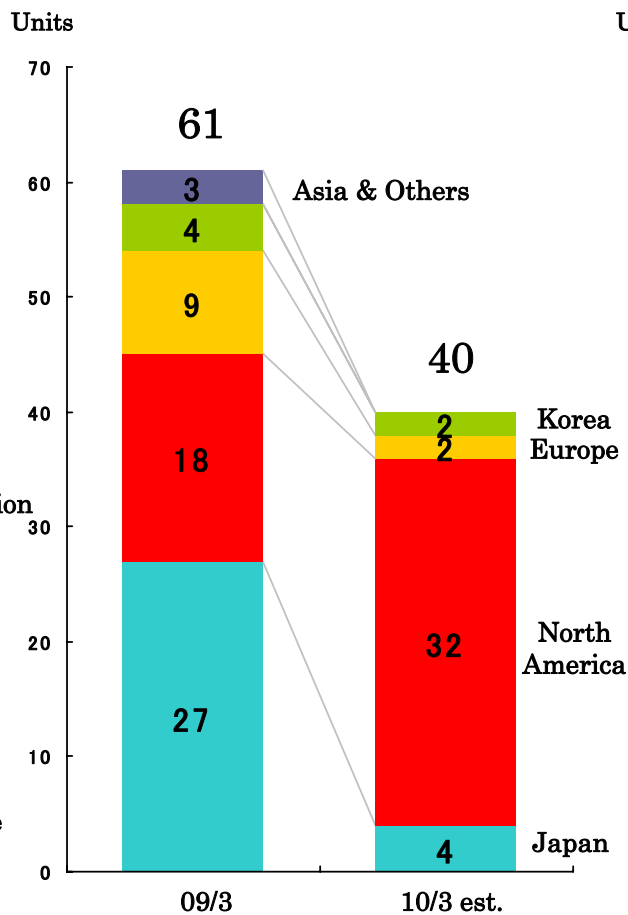


Estimation for Precision Equipment Company

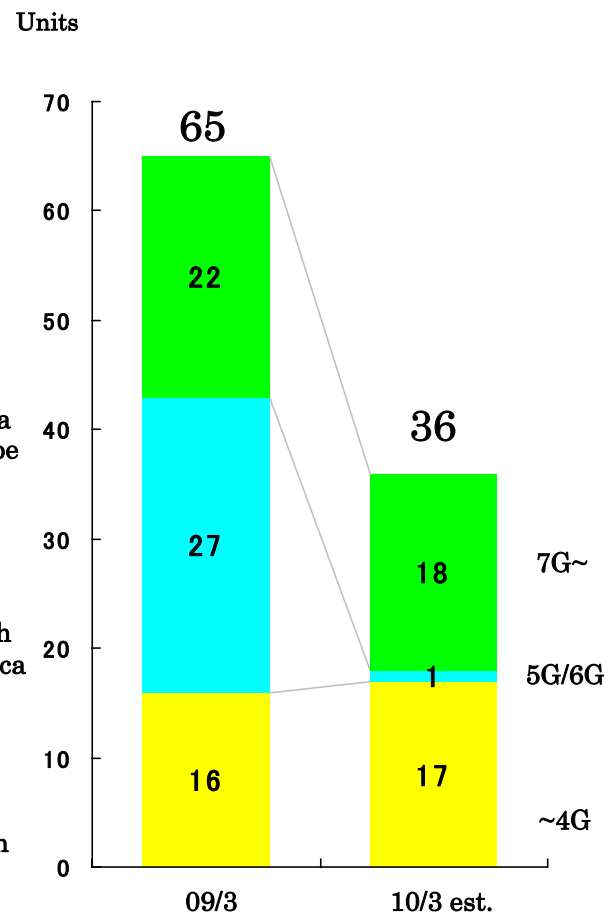
IC Steppers & Scanners Sales by Technology



IC Steppers & Scanners Sales by Region



LCD Steppers & Scanners Sales by Generation



Estimation for Imaging Company



Billions of yen

Cameras & Lenses
(1,000 of units sold)

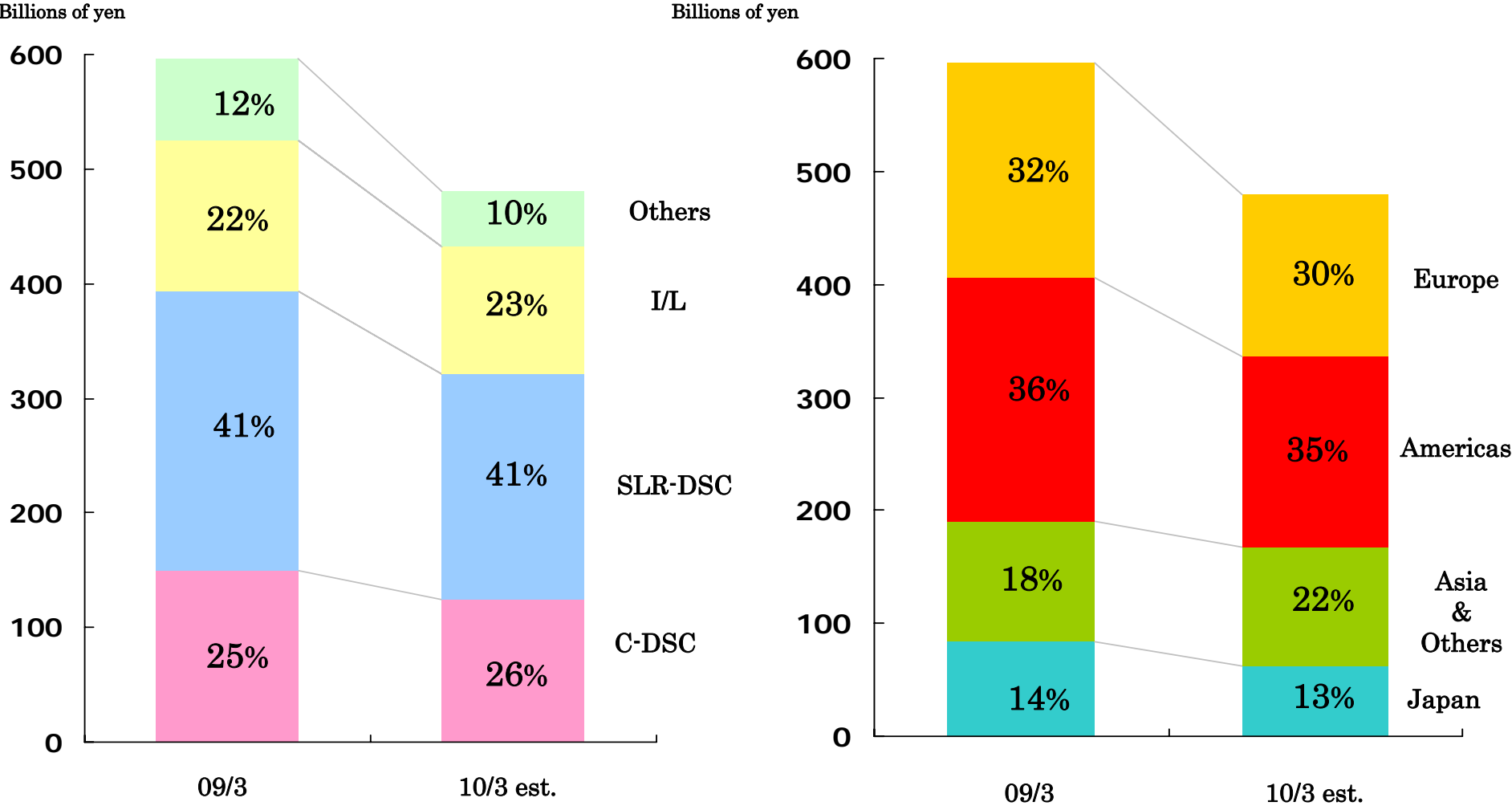
	09/3 Actual	1H 2H	10/3 Estimation	1H 2H
Net Sales	596.5	<u>337.2</u> 259.3	480.0	<u>230.0</u> 250.0
Operating Income % vs Net Sales	40.0 6.7%	<u>42.0</u> - 2.0	25.0 5.2%	<u>8.0</u> 17.0
Single-lens Reflex DSC	3,420		3,400	<u>1,700</u> 1,700
Interchangeable Lenses	4,870		4,800	<u>2,400</u> 2,400
Compact DSC	10,330		10,000	<u>4,700</u> 5,300
SLR-DSC Market Scale	9,130		9,200	
IL Market Scale	14,800		15,000	
C-DSC Market Scale	103,690		103,000	

Target the same level of sales units as previous term in spite of severe business environment.
Estimate decline in revenue and profit by change of D-SLR products mix and impact of appreciating yen.
Assume that the worst environment of previous 2H is over and secure Operating Income in the black.

Estimation for Imaging Company



Sales value ratio by Product & Region

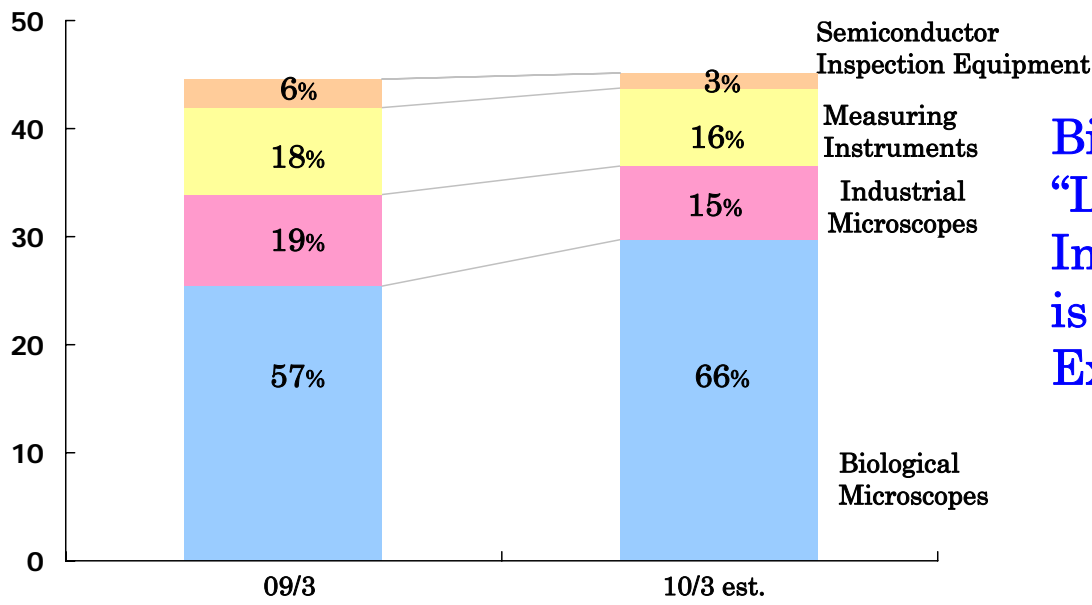


Estimation for Instruments Company



Billions of yen	09/3 Actual	1H 2H	10/3 Estimation	1H 2H
Net Sales	44.6	<u>23.2</u> 21.4	45.0	<u>19.0</u> 26.0
Operating Income <small>% vs Net Sales</small>	- 2.7 -%	<u>- 1.3</u> - 1.4	- 3.0 -%	<u>- 3.0</u> 0

Billions of yen

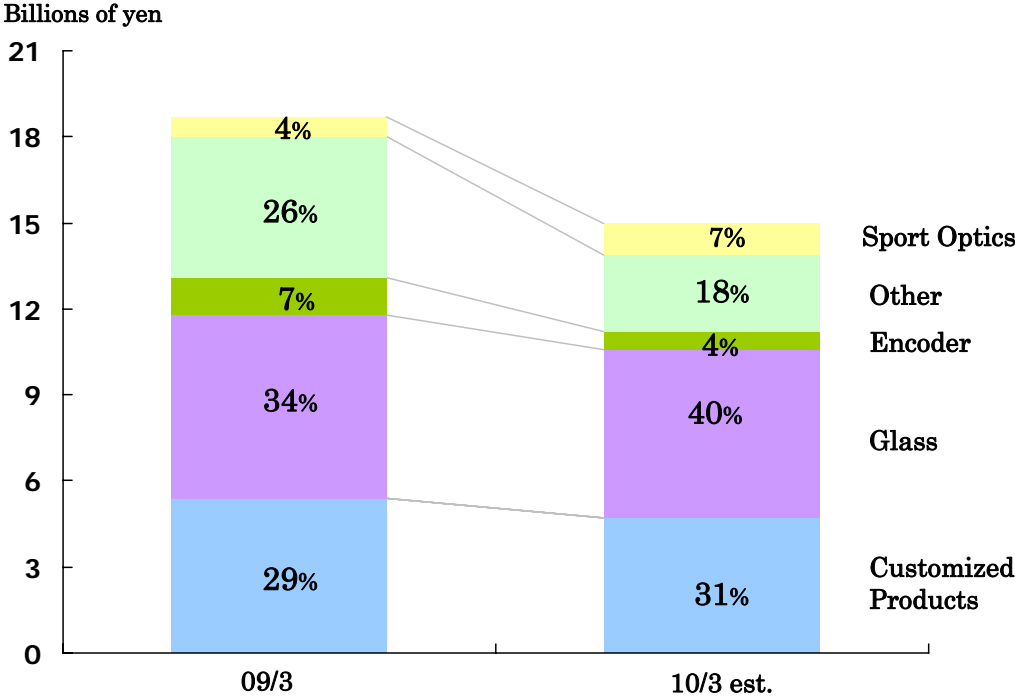


Biological Microscopes for “Live cell” expands in sales. Industrial equipments business is affected by decline of Capital Expenditure.

Estimation for Other Business



Billions of yen	09/3 Actual	1H 2H	10/3 Estimation	1H 2H
Net Sales	18.7	<u>9.6</u> 9.1	15.0	<u>11.0</u> 4.0
Operating Income <small>% vs Net Sales</small>	2.9 15.5%	<u>1.5</u> 1.4	- 1.0 -%	<u>- 1.0</u> 0



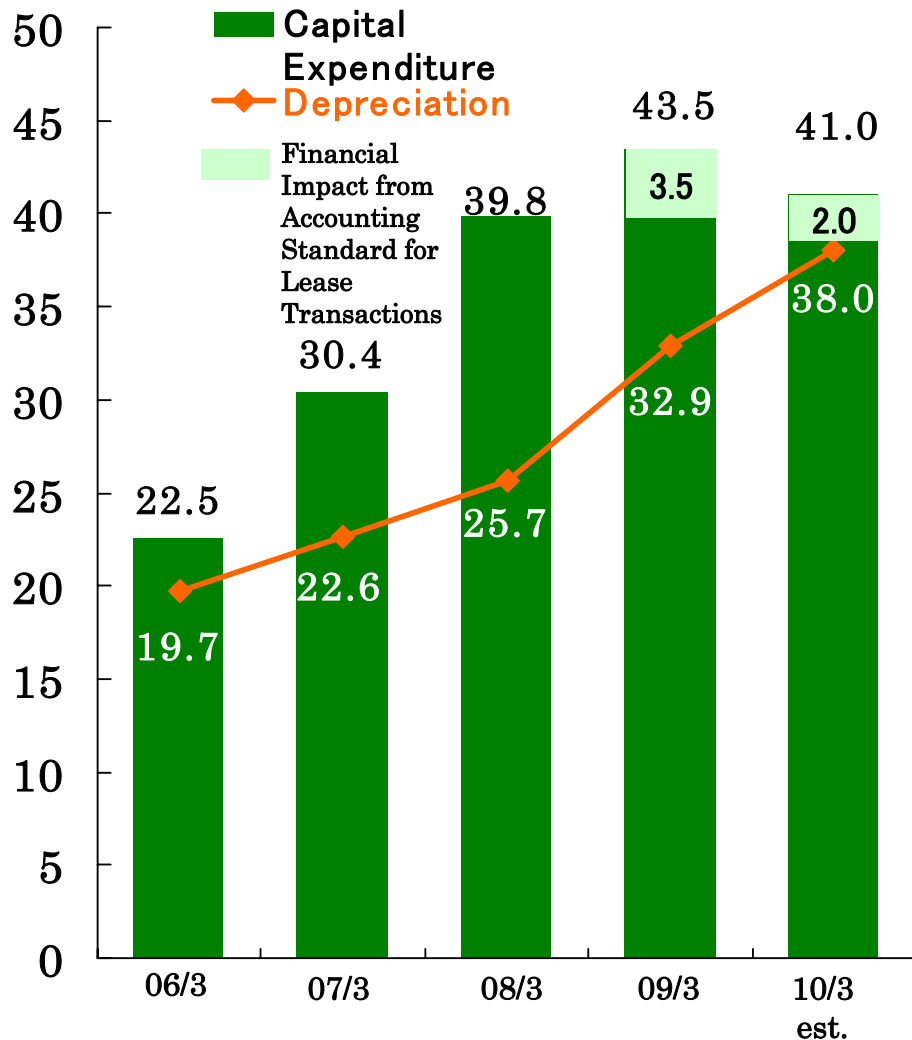
Steady business expectation of Photomask substrates for LCD in Glass business.

Estimation for Capital Expenditure, Depreciation and R&D



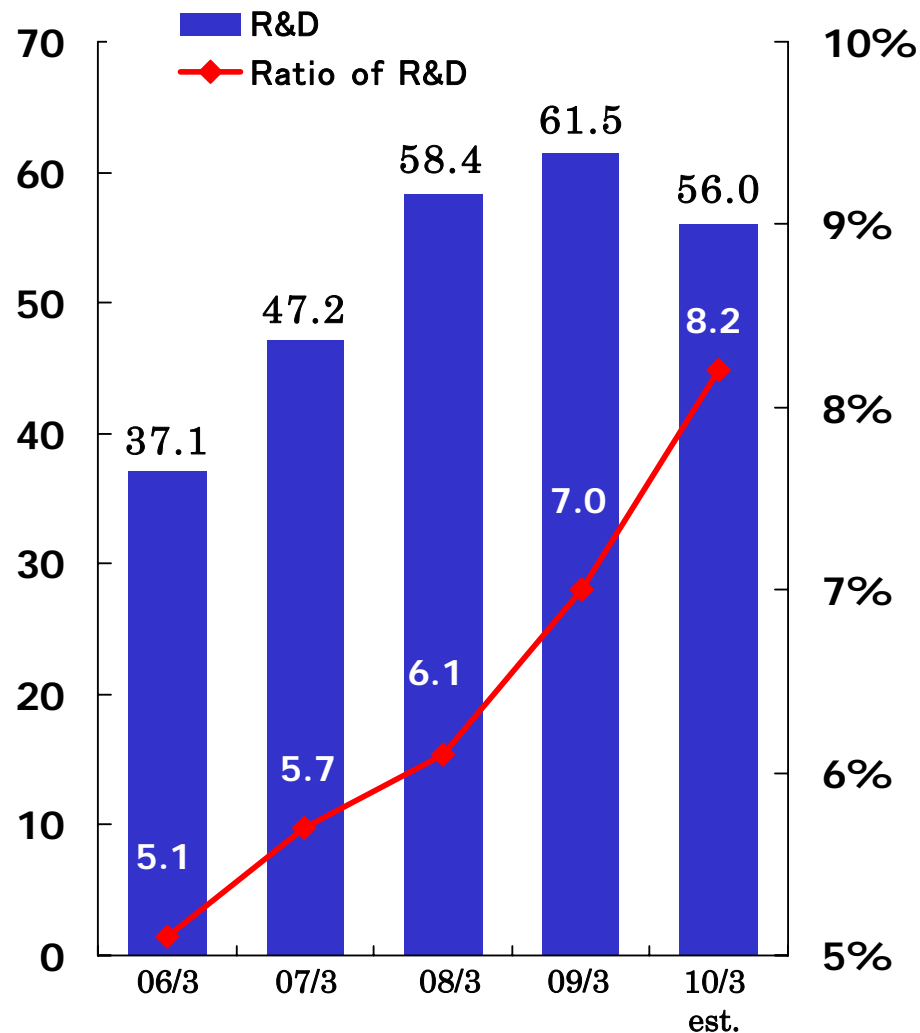
[Capital Expenditure & Depreciation]

Billions of yen



[R&D]

Billions of yen



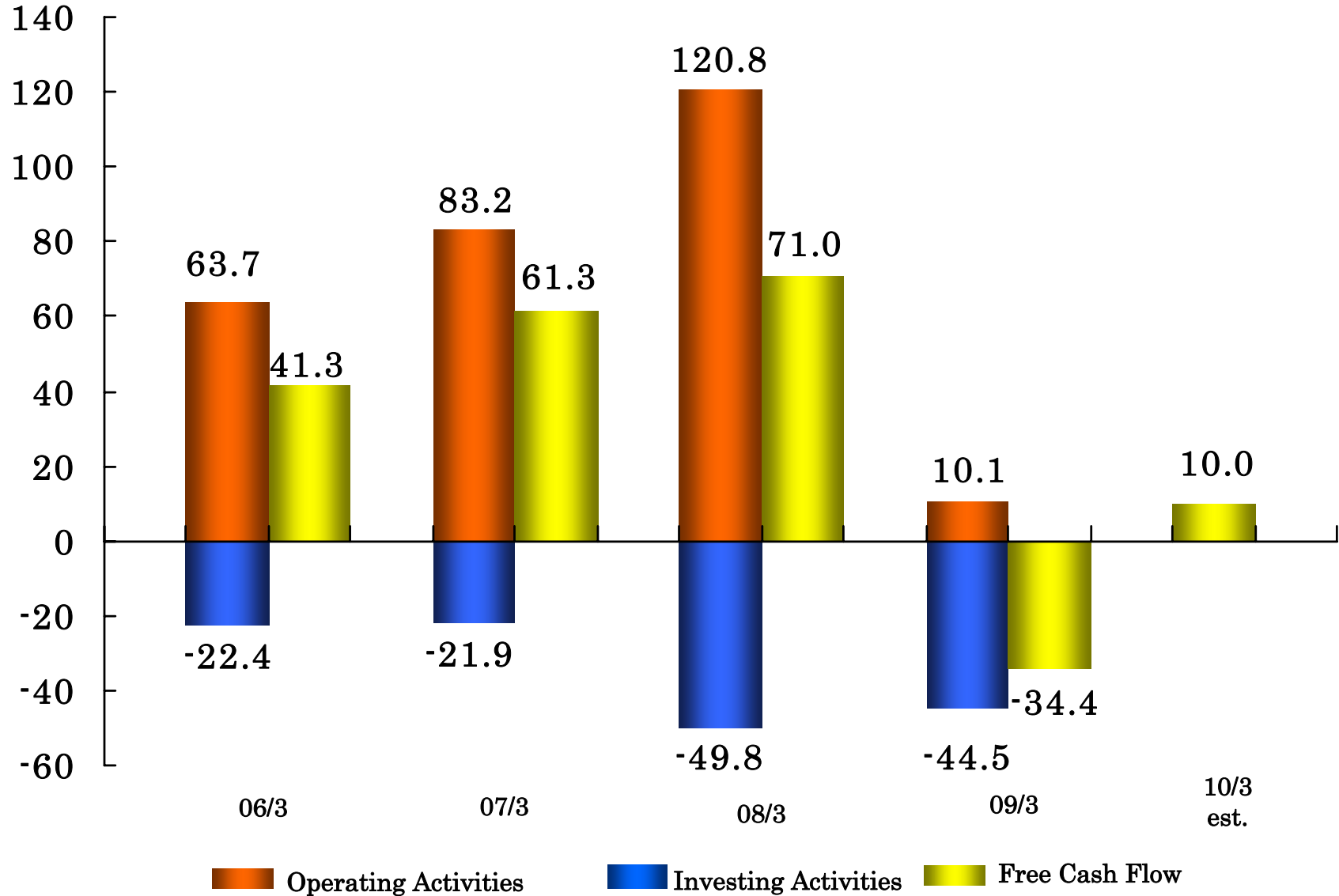
* 09/3 & 10/3: Include the amount of acquisition of Lease asset by change of Accounting Standard for Lease Transactions

09/3: Capital Expenditure 3.5 / Depreciation 3.0

10/3: Capital Expenditure 2.0 / Depreciation 3.0 (Billions of yen)

Estimation for Cash Flows

Billions of yen



Assume that the demand structure after the global recession will change, and the market growth after the recovery will be slower.

Push out of Capital Expenditure and slow consumption continues for a while. Secure a good position in preparation for the recovering time.

Lower the break-even point of the entire Nikon group and increase profitability by further enhancing competitiveness of main businesses in addition to reform business structure. They will lead to the sustainable growth.

Aim to continue “stable cash dividend” despite our financial estimation in deficit.

Agenda

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 - II. Estimation for the Year Ending March 31,2010
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10/3 Estimation

	Exchange Rate	Financial Impact from Fluctuation by 1 yen	
	10/3 Forecast	Net Sales	Operating Income
US\$	95 yen	Approx. 2.2 Billions of yen	Approx. 1.0 Billions of yen
EURO	125 yen	Approx. 1.0 Billions of yen	Approx. 0.8 Billions of yen

Estimation for the Year Ending March 31, 2010

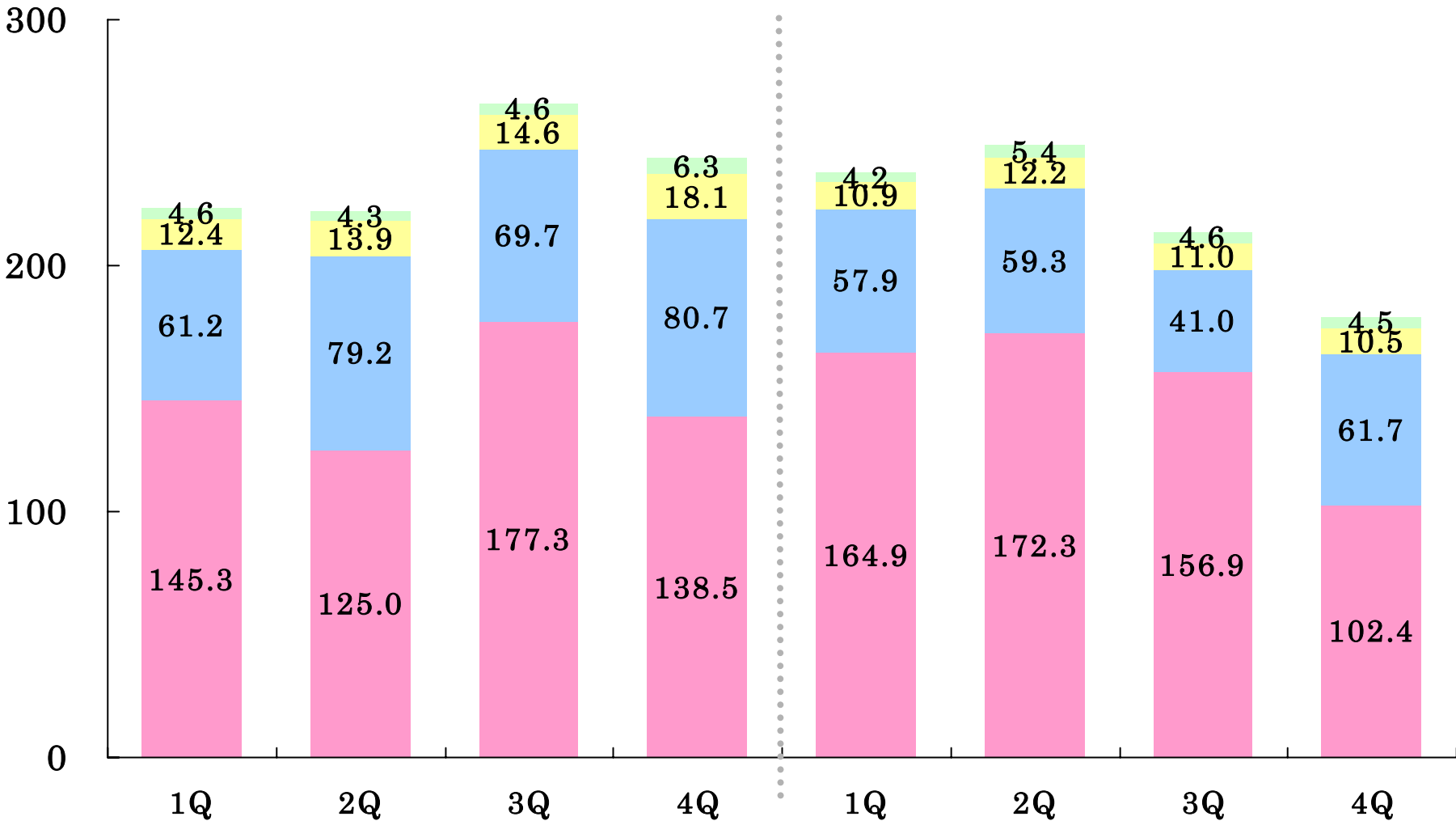


Billions of yen		09/3 Actual		10/3 Estimation	
Operating Income	1H	48.2	54.1	-12.0	-14.0
	2H		-5.9		2.0
Non-operating Income		8.0		10.0	
Non-operating Expenses		8.5		14.0	
Ordinary Income	1H	47.7	53.1	-16.0	-16.0
	2H		-5.4		0
Extra ordinary gain & loss		-8.5		-6.0	
Income Taxes		11.1		-5.0	
Net Income	1H	28.1	33.6	-17.0	-15.0
	2H		-5.5		-2.0

Quarterly Net Sales by segment



Billions of yen

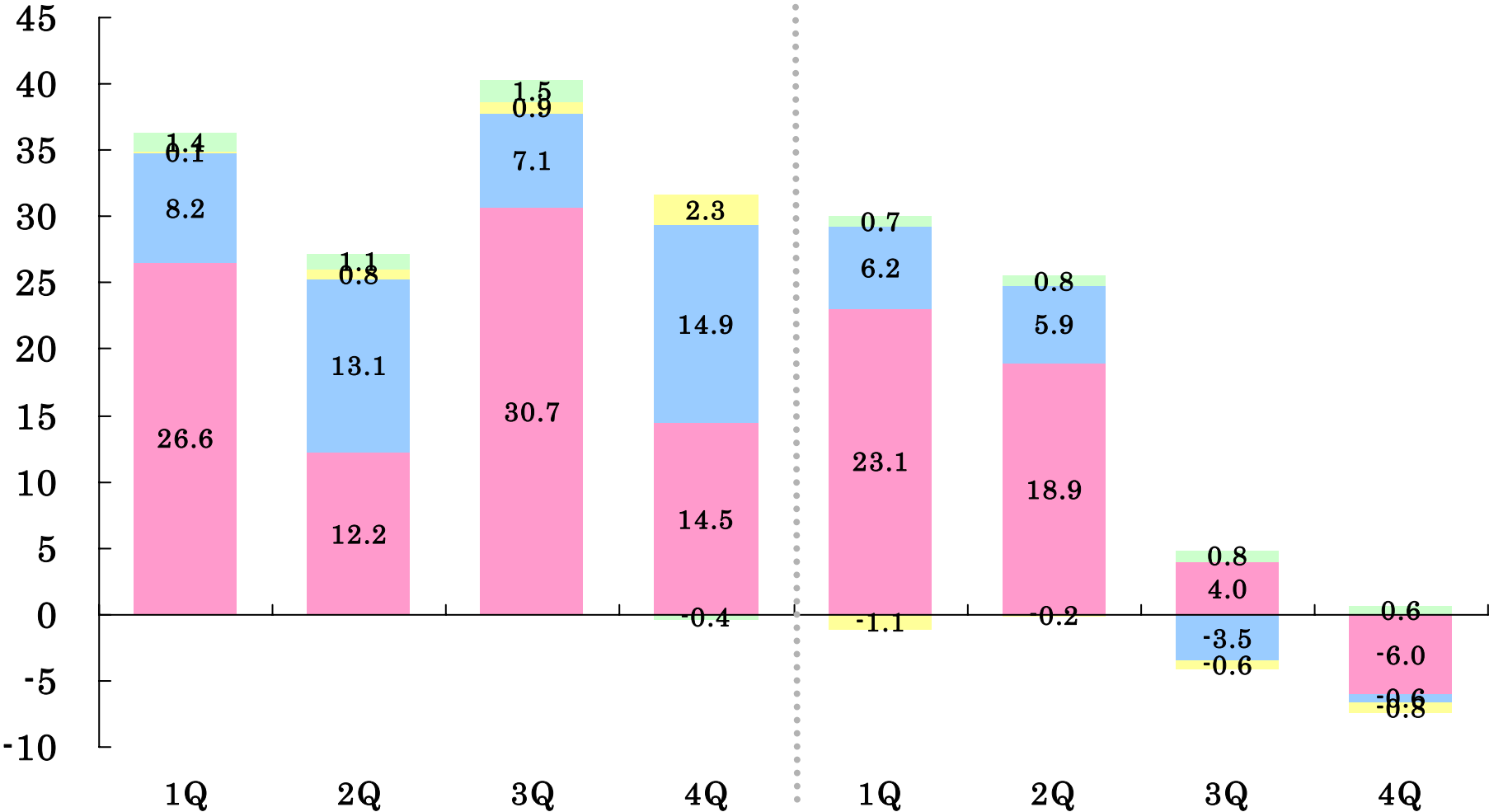


Imaging Company
 Precision Equipment Company
 Instruments Company
 Others

Quarterly Operating Income by segment



Billions of yen



08/3

09/3

Imaging Company

Precision Equipment Company

Instruments Company

Others