



Financial Results for the 3rd Quarter of the Year Ending March 31, 2009

Conference in Tokyo (Feb.5, 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 3rd Quarter
of the Year Ending March 31, 2009**
- II. Estimation for the Year Ending
March 31, 2009**
- III. Market Prospect and Our Measures**
- IV. Reference Data**

Financial Highlights for the 3rd Quarter of the Year Ending March 31, 2009

	07/12 (A)		08/12 (B)		Change (B-A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales (Billions of yen)	266.4	712.2	213.6	700.7	-52.8	-11.5
Operating Income (Billions of yen) % vs Net Sales	40.2 15.1%	103.5 14.5%	0.8 0.4%	54.8 7.8%	-39.4	-48.7
Ordinary Income (Billions of yen) % vs Net Sales	39.3 14.8%	98.1 13.8%	0.1 0.0%	53.2 7.6%	-39.2	-44.9
Net Income (Billions of yen) % vs Net Sales	26.0 9.8%	60.5 8.5%	-2.3 - %	31.3 4.5%	-28.3	-29.2
Exchange : US\$ Rate EURO	113 164	117 163	96 127	103 151	Impact on Net Sales: -35.0 Op. Income: -21.0	Impact on Net Sales: -59.0 Op. Income: -33.0

3Q results recorded lower net sales and income compared to the previous year due to global economy slowdown and sharp appreciation of Yen.

Precision Equipment Company: 3rd Quarter

	07/12 (A)		08/12 (B)		Change (B-A)	
	3 Q	3Qs	3 Q	3Qs	3 Q	3Qs
Net Sales (Billions of yen)	69.7	210.1	41.0	158.2	-28.7	-51.9
Operating Income (Billions of yen)	7.1 10.2%	28.4 13.5%	-3.5 - %	8.6 5.4%	-10.6	-19.8
IC Steppers & Scanners New / Refurbished (units sold)	36/3	104/13	8/4	40/14	-28/+1	-64/+1
LCD Steppers & Scanners (units sold)	7	31	11	48	+4	+17

Compared to the previous year, while LCD steppers & scanners sales were better, IC steppers & scanners sales recorded significant drop because of capital investment cutback. Our Precision Equipment business in total resulted in a loss.



Imaging Company: 3rd Quarter

	07/12 (A)		08/12 (B)		Change (B-A)	
	3 Q	3Qs	3 Q	3Qs	3 Q	3Qs
Net Sales (Billions of yen)	177.3	447.6	156.9	494.1	-20.4	+46.5
Operating Income (Billions of yen) % vs Net Sales	30.7 17.3%	69.5 15.5%	4.0 2.5%	46.0 9.3%	-26.7	-23.5
Single-Lens Reflex DSC (1,000 of units sold)	850	2,320	1,050	2,920	+200	+600
Interchangeable Lenses (1,000 of units sold)	1,200	3,400	1,420	4,050	+220	+650
Compact DSC (1,000 of units sold)	2,700	6,730	2,790	8,700	+90	+1,970

Compared to a year ago, our sales recorded higher volume despite severer competition and slower sales of high-priced D-SLRs due to global economy slowdown. Our sales recorded higher net sales on a local currency basis. However, 3Q results recorded lower net sales and income in Yen compared to the previous year due to lower average price and sharp appreciation of Yen.

Instruments Company : 3rd Quarter

	07/12 (A)		08/12 (A)		Change (B-A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales (Billions of yen)	14.7	40.9	11.0	34.2	-3.7	-6.7
Operating Income (Billions of yen) % vs Net Sales	0.8 5.4%	1.8 4.4%	-0.6 -%	-1.8 -%	-1.4	-3.6

Steady sales of higher value-added products for live-cell observation in microscope business.

Deepest-ever depression of industrial instruments business through the impact of IC, automotive and electric device industries capital expenditure cutback.

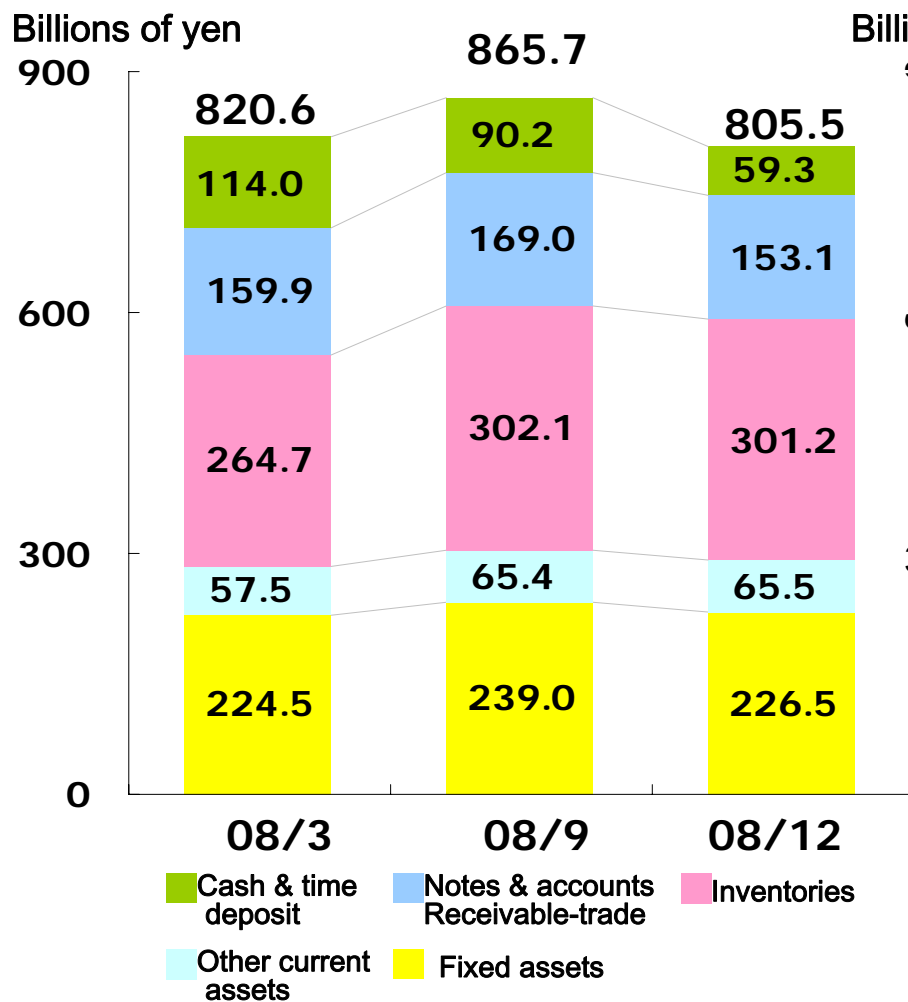
Other Business : 3rd Quarter

	07/12 (A)		08/12 (A)		Change (B-A)	
	3 Q	3Qs	3 Q	3Qs	3 Q	3Qs
Net Sales (Billions of yen)	4.6	13.5	4.6	14.2	-	+0.7
Operating Income (Billions of yen) % vs Net Sales	1.6 34.8%	4.0 29.6%	0.8 17.4%	2.3 16.2%	-0.8	-1.7

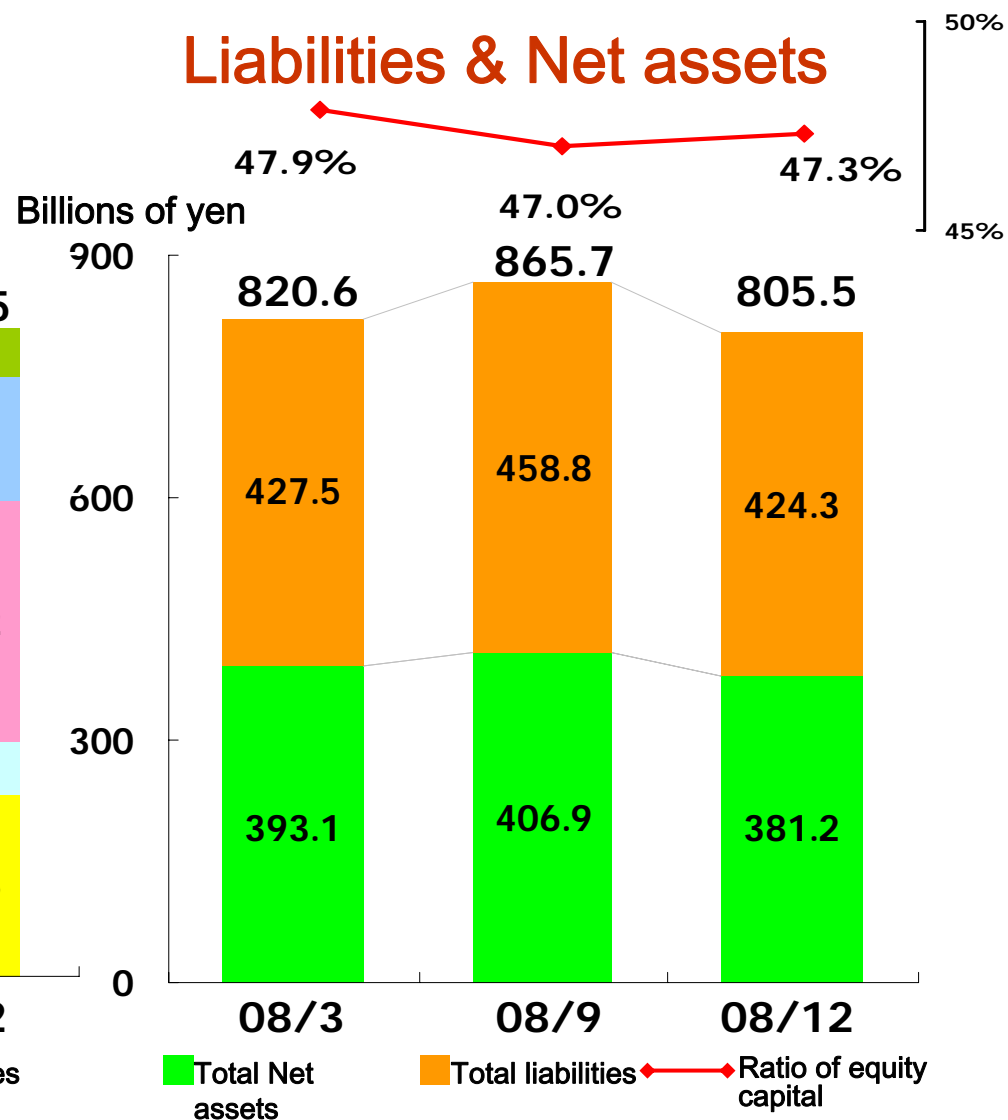
3Q net sales is progressing at the same pace as the 1st Half.

Balance Sheet : 3rd Quarter

Assets



Liabilities & Net assets



Summary for the 3rd Quarter of the Year Ending March 31, 2009

-3Q and 3Q accumulated results recorded lower net sales and income compared to the previous year due to global economy slowdown and sharp appreciation of Yen.

Precision Equipment Company:

Contrary to recovery of LCD steppers & scanners sales, IC steppers & scanners sales dropped significantly, compared to the previous year, led by drop of ArF dry scanners.

Imaging Company:

Despite higher sales volume and net sales on a local currency basis than the previous year under the deterioration of market conditions, business suffered severely from lower average price and sharp appreciation of Yen severely.

-Net income of 3Q recorded a loss since the last time in 5 years ago because of evaluation loss on valuation of investment securities due to equity market depression.

-Inventory increased but within our controllable level.

Precision Equipment Company:

Increase within our estimation due to preparation for a large-scale new product.

Imaging Company:

Increase beyond our estimation, but to be normalized by the end of March 09.

Performance Estimation for the Year Ending March 31, 2009

	08/3 (A)	1H 2H	Previous Estimation as of November 6, 2008 (B)	1H 2H	New Estimation (C)	1H 2H	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	955.8	<u>445.8</u> 510.0	940.0	<u>487.1</u> 452.9	860.0	<u>487.1</u> 372.9	-80.0	-95.8
Operating Income (Billions of yen) % vs Net Sales	135.2 14.1%	<u>63.3</u> 71.9	82.0 8.7%	<u>54.1</u> 27.9	44.0 5.1%	<u>54.1</u> -10.1	-38.0	-91.2
Ordinary Income (Billions of yen) % vs Net Sales	120.1 12.6%	<u>58.9</u> 61.2	79.0 8.4%	<u>53.1</u> 25.9	42.0 4.9%	<u>53.1</u> -11.1	-37.0	-78.1
Net Income (Billions of yen) % vs Net Sales	75.5 7.9%	<u>34.4</u> 41.1	47.0 5.0%	<u>33.6</u> 13.4	24.0 2.8%	<u>33.6</u> -9.6	-23.0	-51.5
Exchange : US\$ Rate EURO	114 162		101 144		100 142			

The world economic conditions are further deteriorating. Expecting Yen appreciation to continue, the Imaging business will proceed with further production adjustment. Our annual forecasts are lowered.

Estimated exchange rate: US\$ 1=90 yen, Euro 1=115 yen

(Lowered from last estimation: US\$ 1=95 yen, Euro 1=125 yen)



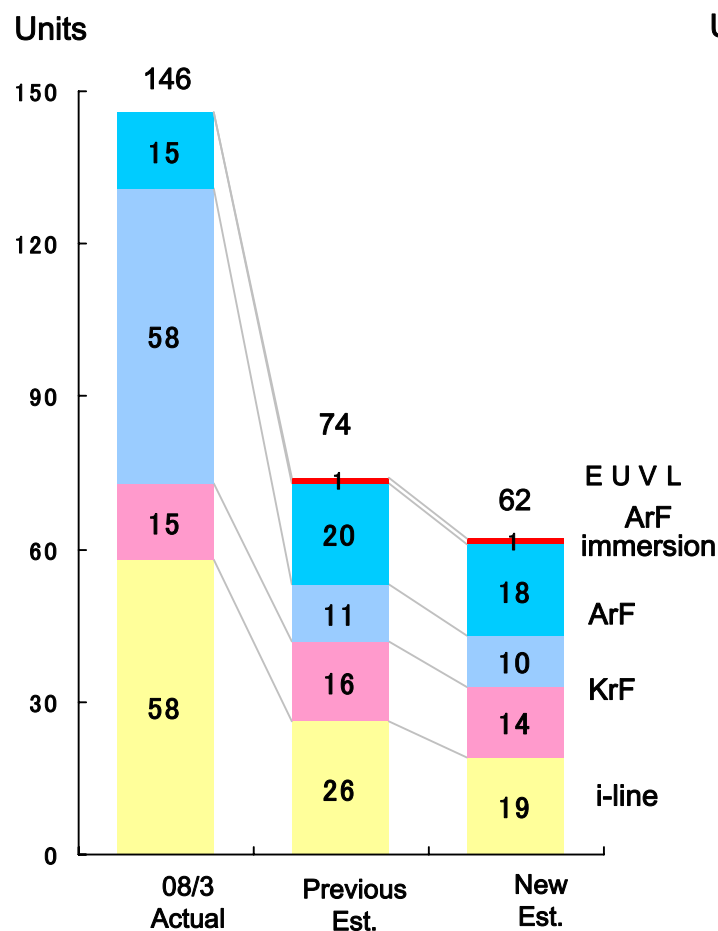
Estimation for Precision Equipment Company

	08/3	3Qs 4Q	Previous Estimation as of November 6, 2008	1H 2H	New Estimation	3Qs 4Q
Net Sales (Billions of yen)	290.8	$\frac{210.1}{80.7}$	245.0	$\frac{117.2}{127.8}$	230.0	$\frac{158.2}{71.8}$
Operating Income (Billions of yen) % vs Net Sales	43.3 14.9%	$\frac{28.4}{14.9}$	18.0 7.3%	$\frac{12.2}{5.8}$	11.0 4.8%	$\frac{8.6}{2.4}$
IC Steppers & Scanners New / Refurbished (units sold)	146/18	$\frac{104/13}{42/5}$	74/20	$\frac{32/10}{42/10}$	62/18	$\frac{40/14}{22/4}$
LCD Steppers & Scanners (units sold)	45	$\frac{31}{14}$	65	$\frac{37}{28}$	65	$\frac{48}{17}$
Market Scale CY07/08 IC Steppers & Scanners (units sold)	564		Approx.300		296	
Market Scale CY07/08 LCD Steppers & Scanners (TFT-array Only) (units sold)	Approx.70		Approx.100		Approx.100	

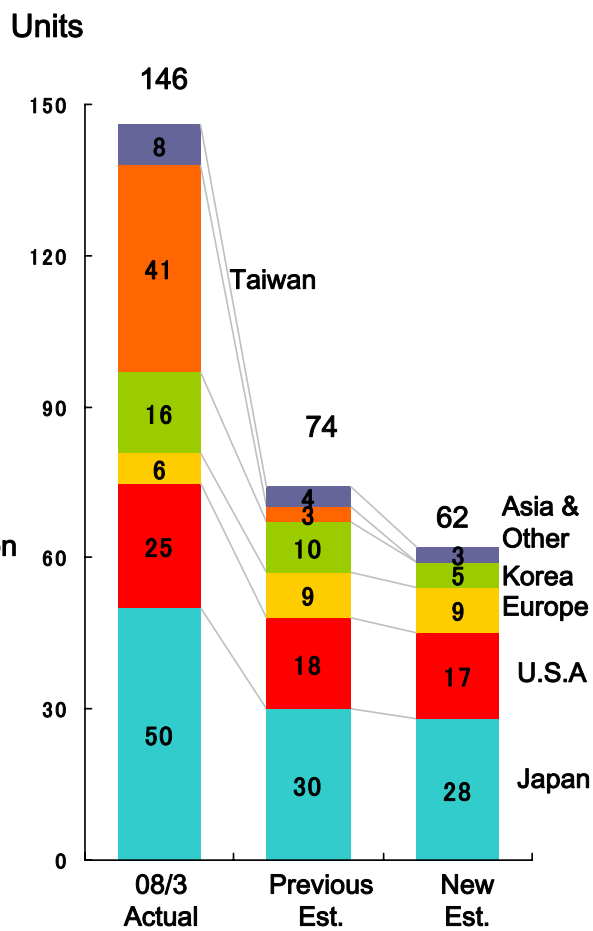
Lowered estimated sales volume of IC Steppers & Scanners to 62 systems. LCD steppers & scanners estimated sales volume remains unchanged although product mix will change. These will result in lower net sales and income.

Estimation for Precision Equipment Company

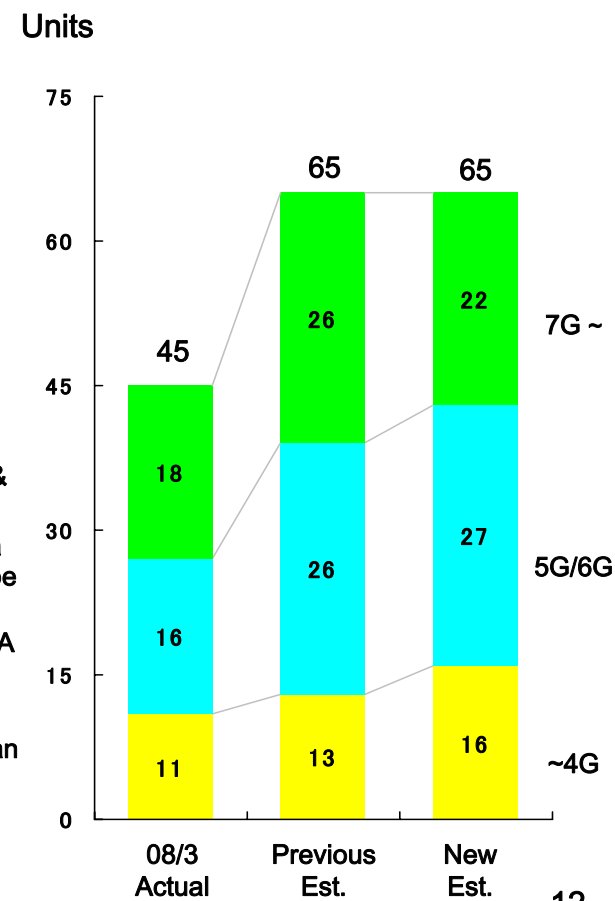
IC Steppers & Scanners Sales by Technology



IC Steppers & Scanners Sales by Region



LCD Steppers & Scanners by Generation



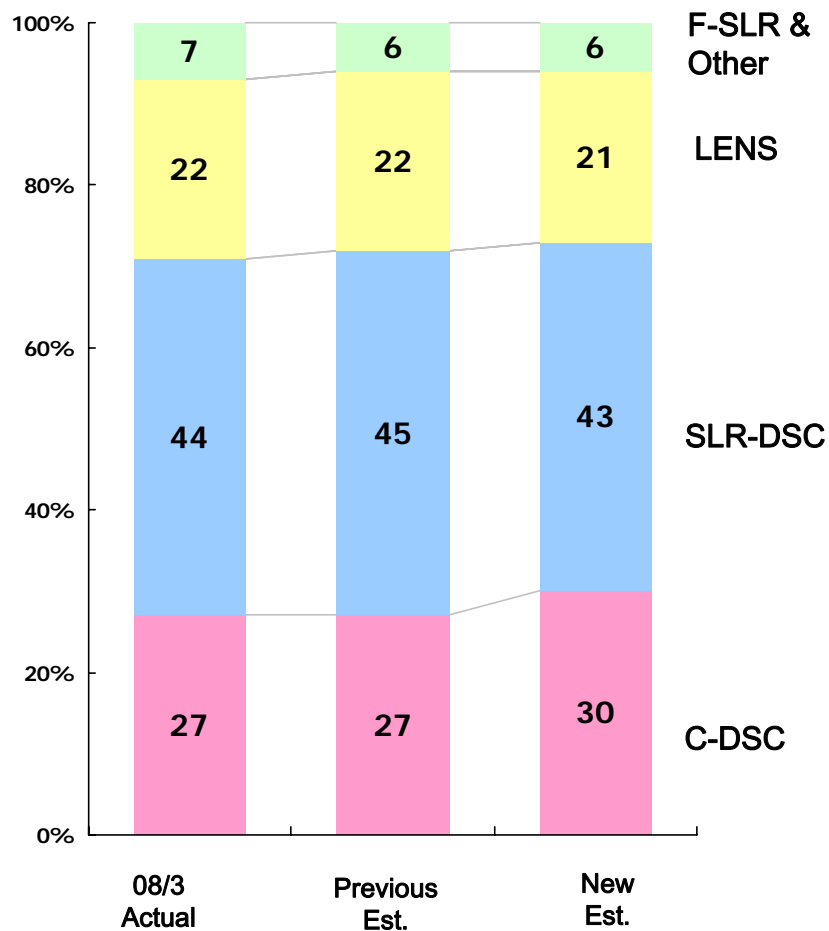
Estimation for Imaging Company

	08/3	3Qs 4Q	Previous Estimation as of November 6, 2008	1H 2H	New Estimation	3Qs 4Q
Net Sales (Billions of yen)	586.1	<u>447.6</u> 138.5	625.0	<u>337.2</u> 287.8	570.0	<u>494.1</u> 75.9
Operating Income (Billions of yen) % vs Net Sales	84.0 14.3%	<u>69.5</u> 14.5	62.0 9.9%	<u>42.0</u> 20.0	35.0 6.1%	<u>46.0</u> -11.0
Single-Lens Reflex DSC (1,000 of units sold)	3,090	<u>2,320</u> 770	3,500	<u>1,870</u> 1,630	3,300	<u>2,920</u> 380
Interchangeable Lenses (1,000 of units sold)	4,450	<u>3,400</u> 1,050	4,900	<u>2,630</u> 2,270	4,600	<u>4,050</u> 550
Compact DSC (1,000 of units sold)	8,550	<u>6,730</u> 1,820	10,000	<u>5,910</u> 4,090	10,000	<u>8,700</u> 1,300
Market Scale SLR-DSC (1,000 of units sold)	7,720		9,500		9,500	
Market Scale Interchangeable Lenses (1,000 of units sold)	13,070		16,000		16,000	
Market Scale C-DSC (1,000 of units sold)	98,570		115,000		110,000	

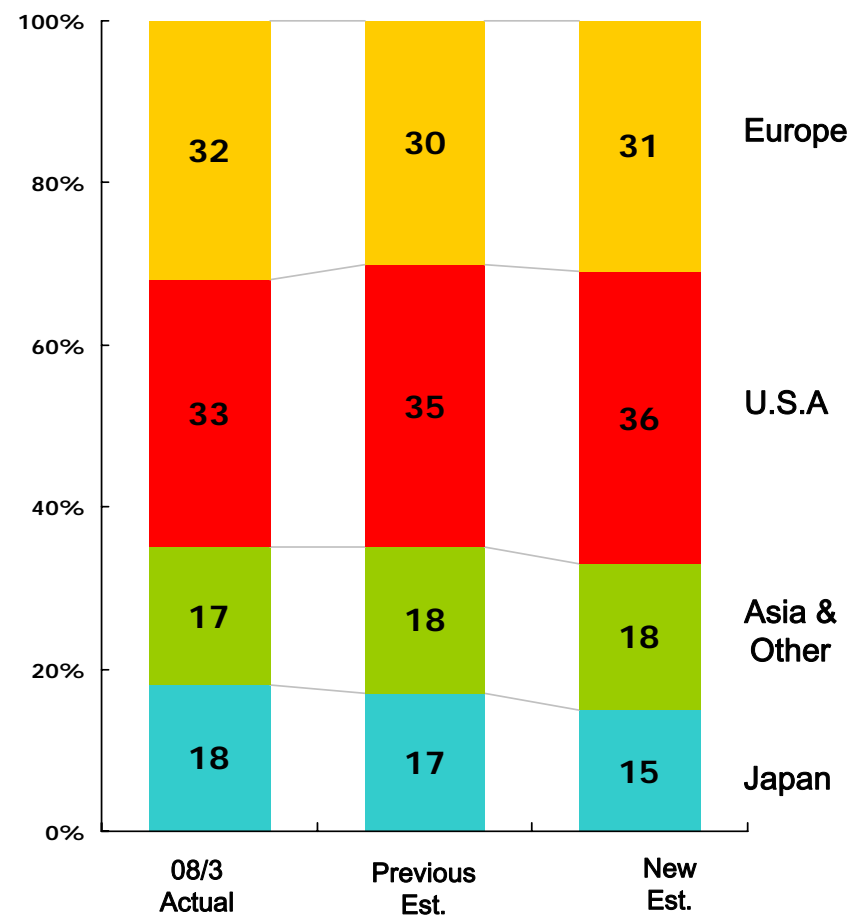
Estimated net sales of 4Q will drop to half of the previous year due to market deterioration, slowdown of high-priced D-SLR, etc. Operating income will be in a loss additionally with deterioration of Cost of Sales ratio because of production adjustment. Significant revision to lower estimation.

Estimation for Imaging Company

Shipment value by Products

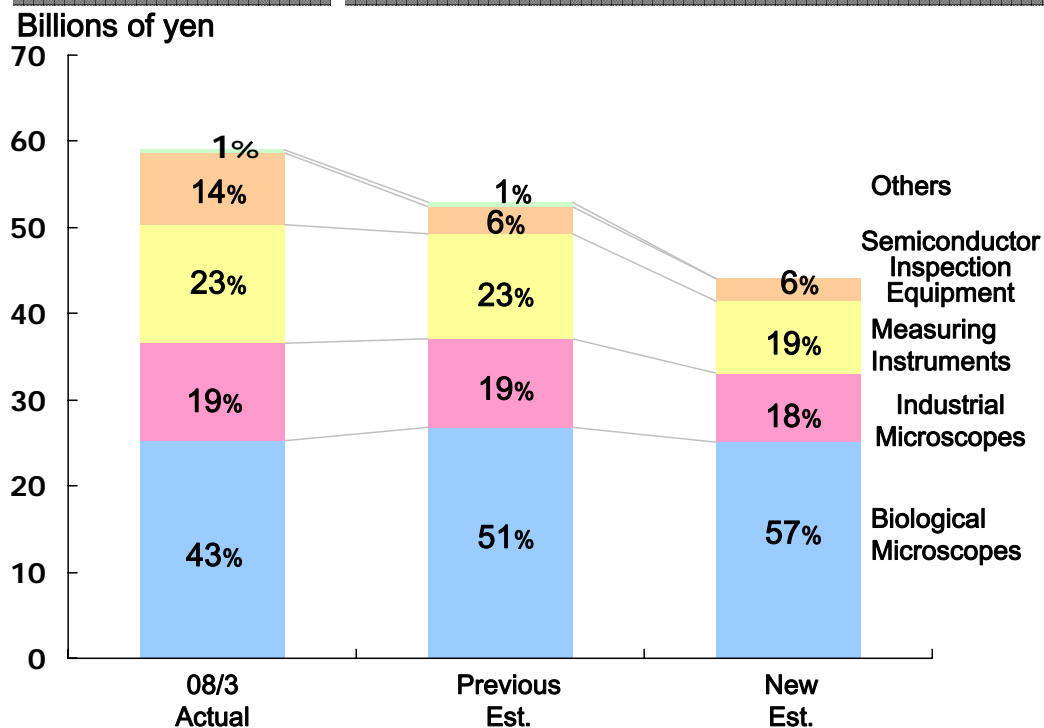


Shipment value by Region



Estimation for Instruments Company

	08/3	3Qs 4Q	Previous Estimation as of November 6, 2008	1H 2H	New Estimation	3Qs 4Q
Net Sales (Billions of yen)	59.0	<u>40.9</u> 18.1	52.0	<u>23.2</u> 28.8	44.0	<u>34.2</u> 9.8
Operating Income (Billions of yen) % vs Net Sales	4.1 6.9%	<u>1.8</u> 2.3	0.0 -%	<u>-1.3</u> 1.3	-3.0 -%	<u>-1.8</u> -1.2



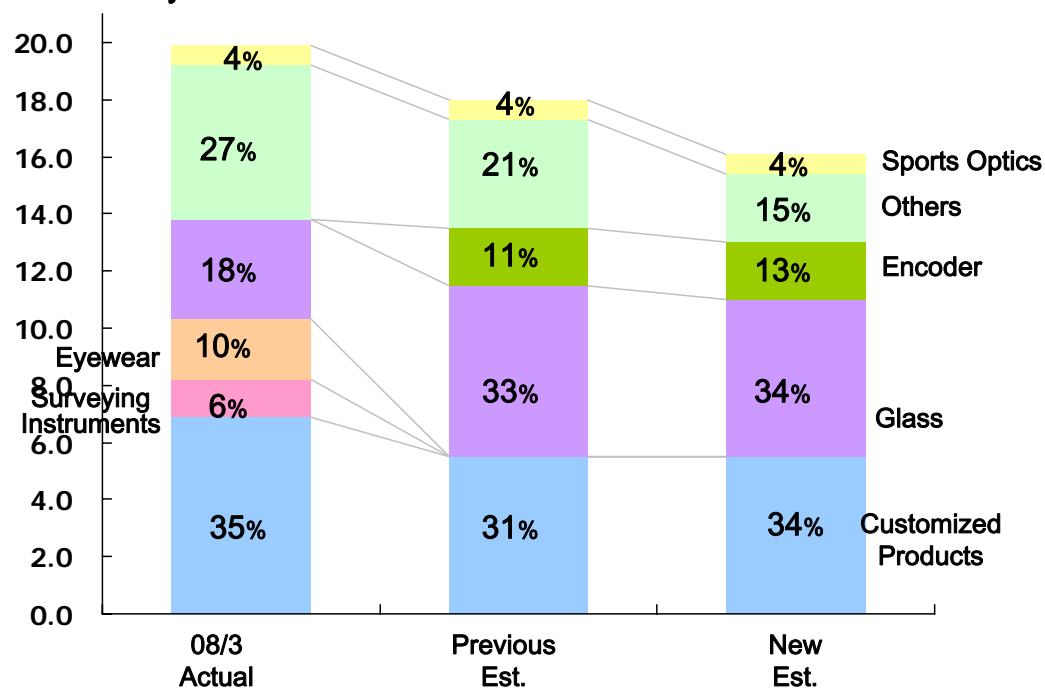
Expecting steady sales for biological microscope.

Sales of industrial instruments expected severer than the previous forecast due to capital expenditure cut-down.

Estimation for Other Business

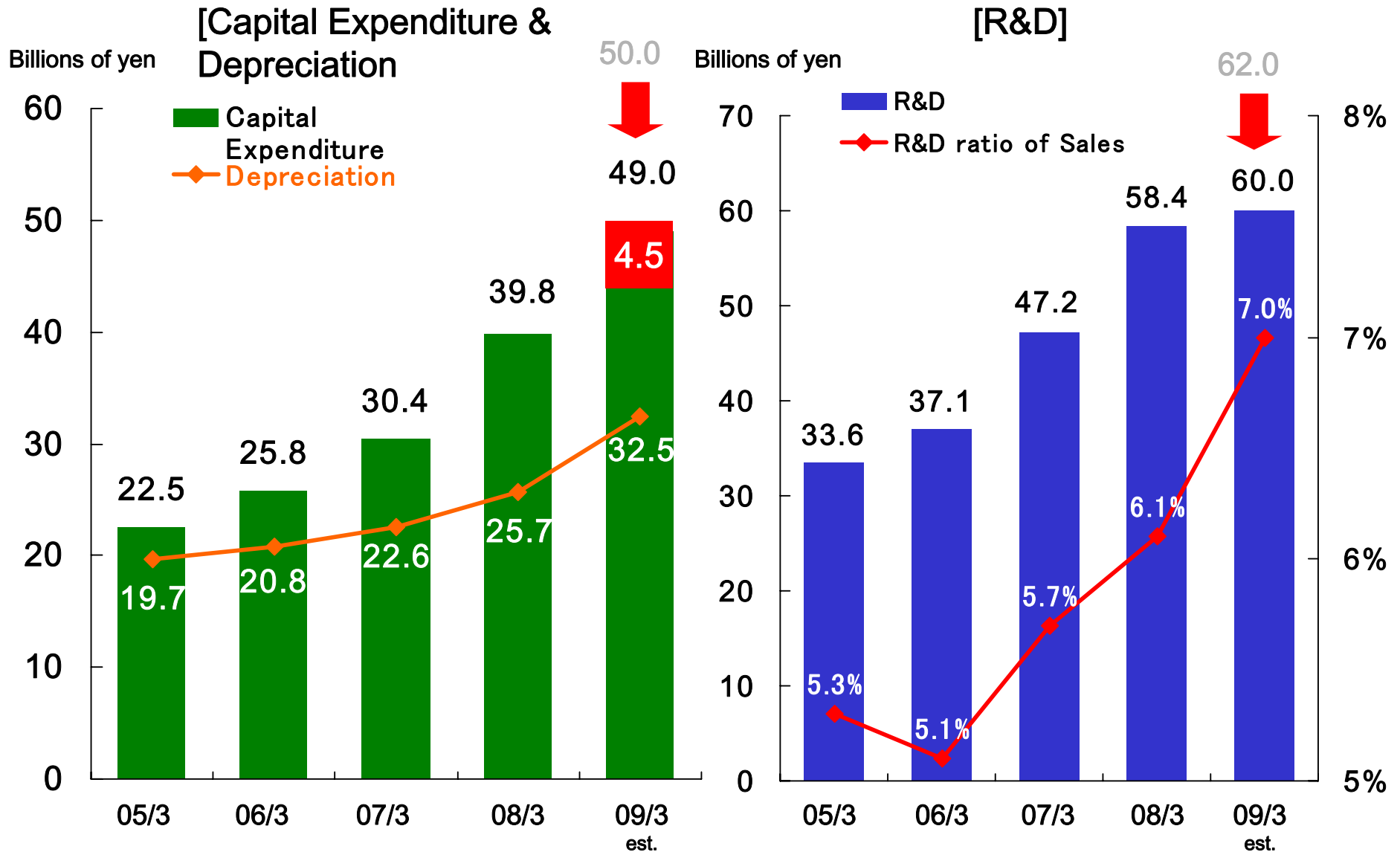
	08/3	3Qs 4Q	Previous Estimation as of November 6, 2008	1H 2H	New Estimation	3Qs 4Q
Net Sales (Billions of yen)	19.8	<u>13.5</u> 6.3	18.0	<u>9.6</u> 8.4	16.0	<u>14.2</u> 1.8
Operating Income (Billions of yen) % vs Net Sales	3.6 18.2%	<u>4.0</u> -0.4	2.0 11.1%	<u>1.5</u> 0.5	1.0 6.3%	<u>2.3</u> -1.3

Billions of yen



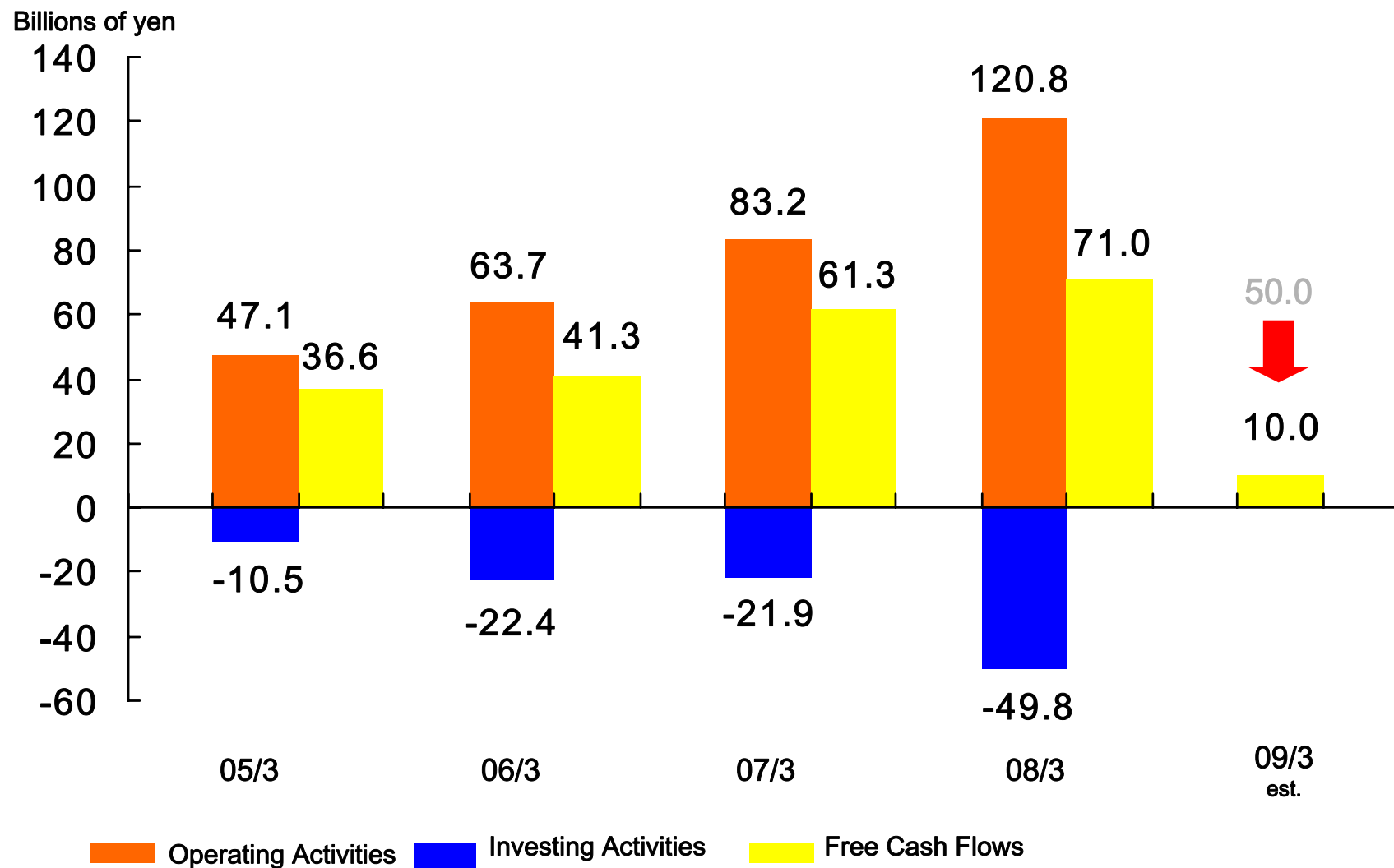
Glass business will expand its sales with Photomask substrates for LCD. Steady sales is expected for 7G/8G.

Estimation for Capital Expenditure, Depreciation and R&D



The above include acquisition of lease asset in accordance with accounting rules revision.

Estimation for Cash Flows



Market Prospect and Our Measures

Economy recovery and calm-down of Yen appreciation in a short term are not expected. “Stormy weather” will continue. Minimizing decline of our business performance, we will get ready for immediate acceleration at recovery to start.

Management measures for urgency:

- Monthly remuneration cut for directors, officers and managers.
(Bonus is automatically adjusted in line with the business results.)
- Postponement/Reduction/Cancellation of capital expenditure & investment.
- Further reduction of business expenses, mainly those to outside the group.
- Production adjustment implementation including layoff and personnel reduction at our overseas and domestic production facilities.

Market Prospect and Our Measures

Under the difficult business conditions, most important are to propose new products and services “exceeding the expectation” of our customers.

Precision Equipment Company:

- Accomplishment of every target of the next generation immersion scanner for double patterning.
- Enrichment of KrF/i-line steppers & scanners, service business and development of the new fields.

Imaging Company:

- Establishment of business structure overcoming further appreciation of Yen.
- Development of next generation digital cameras and proposal of the new services.

Instruments Company:

- Clarification of the concentrating segments in the field of bioscience and industrial instruments, and enhancement of new development.
- Promotion to personnel efficiency.

Reference Data: Exchange Rate

09/3
Estimation

	Exchange Rate	Financial Impact from fluctuation by 1 yen	
	09/3 4Q Forecast	Net Sales (4Q)	Operating Income (4Q)
US\$	90	Approx.0.6 billions of yen	Approx.0.2 billions of yen
EURO	115	Approx.0.3 billions of yen	Approx.0.15 billions of yen

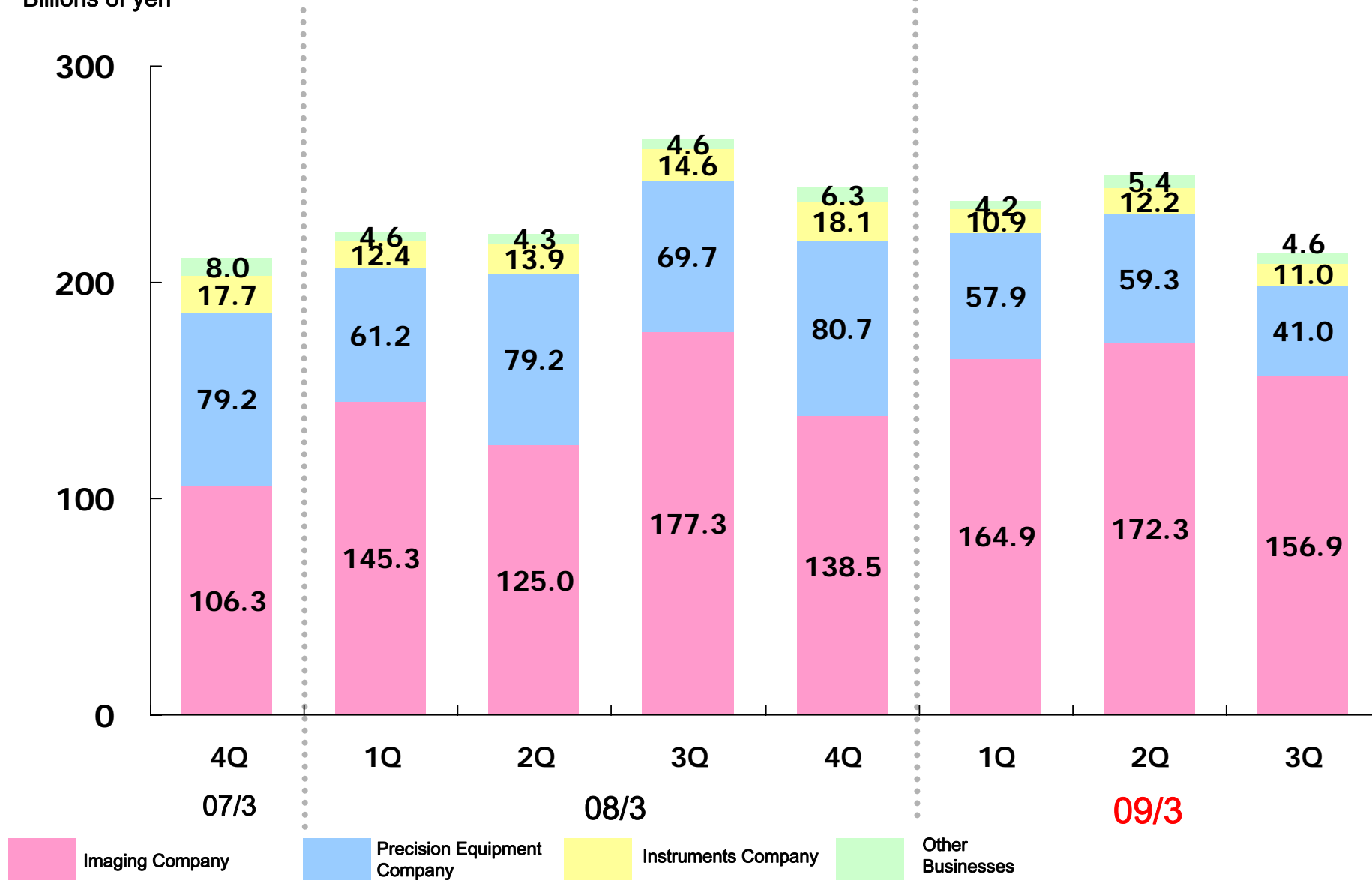
Reference Date:

Earning Estimation for the Year Ending March 31, 2009

Billions of yen		08/3 Actual		09/3 Estimation	
Operating Income	1H	135.2	63.3	44.0	54.1
	2H		71.9		-10.1
Non-operating Income		8.2		10.0	
Non-operating Expenses		23.2		12.0	
Ordinary Income	1H	120.1	58.9	42.0	53.1
	2H		61.2		-11.1
Extra ordinary gain & loss		-3.4		-5.0	
Income Taxes		41.2		13.0	
Net Income	1H	75.5	34.4	24.0	33.6
	2H		41.1		-9.6

Reference Data: Quarterly Net Sales by segments

Billions of yen



Reference Data: Quarterly Operating Income by segments

Billions of yen





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