

First Half ended September 30, 2002 Financial Results (Consolidated)

Company name: NIKON CORPORATION

Code number: 7731

(URL <http://www.nikon.co.jp>)

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Stock listings: Tokyo Stock Exchange, Osaka Securities Exchange

Date of the Board Meeting for the First Half ended September 30, 2002: November 11, 2002

The accounting methods used in this report are not consistent with U.S. standards accounting methods.

1. Results of First Half ended September 30, 2002 (From April 1, to September 30, 2002)

(Note) Amount Unit: 1 Million Yen unless otherwise specified (Amounts less than 1 Million Yen are omitted.)

(1) Financial Results

	Net Sales	Change	Operating Income	Change	Ordinary Income	Change
First Half ended September 30, 2002	¥215,129	(8.5)%	¥5,350	(75.4)%	¥1,698	(91.1)%
First Half ended September 30, 2001	¥235,053	11.7%	¥21,765	3.1%	¥19,063	24.1%
Year ended March 31, 2002	¥482,975		¥22,239		¥12,213	

	Net Income (Loss)	Change	Net Income (Loss) per share of Common Stock (Yen)
First Half ended September 30, 2002	¥(3,477)	- %	¥(9.40)
First Half ended September 30, 2001	¥3,041	(66.0)%	¥8.22
Year ended March 31, 2002	¥(6,003)		¥(16.23)

(Notes) 1. Equity in Earning of non-consolidated subsidiaries: First Half ended September 30, 2002: 345 Mill Yen

First Half ended September 30, 2001: 221 Mill Yen

Year ended March 31, 2002: 548 Mill Yen

2. Average number of shares outstanding (Consolidated): First Half ended September 30, 2002: 369,774,850 shares

First Half ended September 30, 2001: 369,859,560 shares

Year ended March 31, 2002: 369,833,275 shares

3. Change in accounting method : N/A

4. The percentage figures for net sales, operating income, ordinary income and net income (loss) represent the percentage of increase or decrease against the same period of the previous year.

(2) Financial Position

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share of Common Stock (Yen)
First Half ended September 30, 2002	¥610,248	¥171,546	28.1 %	¥463.96
First Half ended September 30, 2001	¥574,172	¥183,521	32.0 %	¥496.24
Year ended March 31, 2002	¥561,275	¥176,960	31.5 %	¥478.52

(Notes) Number of shares outstanding as of September 30, 2002: 369,741,496 shares

as of September 30, 2001: 369,826,772 shares

as of March 31, 2002 : 369,805,363 shares

(3) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Term-end
First Half ended September 30, 2002	¥4,447	¥(15,991)	¥16,870	¥29,550
First Half ended September 30, 2001	¥(8,681)	¥(15,592)	¥13,480	¥23,034
Year ended March 31, 2002	¥(9,470)	¥(25,851)	¥25,113	¥24,614

(4) Consolidated and Equity method Policies

Number of Consolidated Subsidiaries : 47

Number of Non-consolidated Subsidiaries accounted for by equity method : 0

Number of Affiliates accounted for by equity method : 2

(5) Changes in Consolidation and Equity method Policies

Consolidation New : 1, Exclusion : 0

Equity method New : 0, Exclusion : 0

2. Forecast for Year ended March 31, 2003 (From April 1, 2002 to March 31, 2003)

Amount Unit : 1 Million Yen

	Net Sales	Ordinary Income	Net Income
Year ended March 31, 2003	¥480,000	¥0	¥0

Ref. Expected net income per share of common stock for year ended March 31, 2003: 0.0 Yen

English Translation of "RENKETSU KESSAN TANSHIN"
(Summary for reference only)

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of September 30, 2002		As of September 30, 2001		As of March 31, 2002	
		%		%		%
Assets						
Current assets						
Cash and time deposits	31,206		24,441		24,822	
Notes and accounts receivable-trade	108,233		109,990		102,966	
Inventories	242,568		226,940		208,410	
Other current assets	33,673		31,460		34,499	
Allowance for doubtful receivables	(3,180)		(2,747)		(3,046)	
Total current assets	412,500	67.6	390,085	67.9	367,652	65.5
Fixed assets						
Tangible fixed assets						
Buildings and structures	39,398		39,276		39,553	
Machinery and vehicles	34,685		28,709		33,066	
Furniture and fixtures	10,419		9,954		10,500	
Land	16,870		15,999		16,811	
Construction in progress	10,986		12,856		13,188	
Total tangible fixed assets	112,360	18.4	106,796	18.6	113,119	20.1
Intangible fixed assets	8,733	1.4	7,814	1.4	8,310	1.5
Investments and other assets						
Investment securities	49,209		50,617		50,140	
Other	27,598		18,957		22,156	
Allowance for doubtful receivables	(154)		(98)		(103)	
Total investments and other assets	76,653	12.6	69,476	12.1	72,192	12.9
Total fixed assets	197,747	32.4	184,086	32.1	193,623	34.5
Total assets	610,248	100.0	574,172	100.0	561,275	100.0

English Translation of "RENKETSU KESSAN TANSHIN"
(Summary for reference only)

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of September 30, 2002		As of September 30, 2001		As of March 31, 2002	
		%		%		%
Liabilities						
Current liabilities						
Notes and accounts payable-trade	111,386		105,067		78,865	
Short-term borrowings	55,112		53,995		73,335	
Commercial paper	25,000		44,000		45,000	
Current portion of bonds	20,000		20,000		10,000	
Accrued income taxes	4,832		5,545		1,298	
Accrued expenses	34,838		32,733		31,317	
Warranty reserve	4,764		6,726		6,366	
Other current liabilities	34,958		29,485		34,306	
Total current liabilities	290,893	47.7	297,553	51.8	280,490	50.0
Long-term liabilities						
Bonds	121,000		70,000		75,000	
Long-term debt	7,073		6,899		6,625	
Liability for employees' retirement benefits	18,188		14,130		17,419	
Other long-term liabilities	1,398		1,895		4,621	
Total long-term liabilities	147,660	24.2	92,924	16.2	103,666	18.5
Total liabilities	438,553	71.9	390,478	68.0	384,157	68.5
Minority interest	148	0.0	172	0.0	158	0.0
Shareholders' equity						
Common stock	36,660	6.0	36,660	6.4	36,660	6.5
Capital surplus	51,924	8.5	51,909	9.0	51,924	9.2
Retained earnings	85,248	14.0	99,116	17.3	88,725	15.8
Unrealized gains on available-for-sale securities	1,009	0.1	644	0.1	1,079	0.2
Foreign currency translation adjustments	(3,055)	(0.5)	(4,690)	(0.8)	(1,265)	(0.2)
Total	171,787		183,641		177,123	
Treasury stock	(241)	(0.0)	(120)	(0.0)	(163)	(0.0)
Total shareholders' equity	171,546	28.1	183,521	32.0	176,960	31.5
Total liabilities and shareholders' equity	610,248	100.0	574,172	100.0	561,275	100.0

Consolidated Statements of Operations

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002		First Half ended September 30, 2001		Year ended March 31, 2002	
		%		%		%
Net sales	215,129	100.0	235,053	100.0	482,975	100.0
Cost of sales	133,468	62.0	141,752	60.3	306,793	63.5
Selling, general and administrative expenses	76,311	35.5	71,534	30.4	153,943	31.9
Operating income	5,350	2.5	21,765	9.3	22,239	4.6
Non-operating income						
Interest and dividend income	620	0.3	790	0.3	1,149	0.2
Other income	3,093	1.4	1,961	0.8	5,759	1.2
Non-operating expenses						
Interest expenses	1,407	0.7	1,816	0.8	3,658	0.8
Other expenses	5,959	2.7	3,637	1.5	13,275	2.7
Ordinary income	1,698	0.8	19,063	8.1	12,213	2.5
Special gains						
Gains on sales of fixed assets	998	0.5	21	0.0	3,180	0.7
Gains on sales of investment securities	12	0.0	1,790	0.8	1,799	0.4
Special losses						
Losses on sales and disposal of fixed assets	236	0.1	303	0.1	1,258	0.3
Losses on sales of investment securities	500	0.2	1,825	0.8	3,357	0.7
Additional retirement benefits paid to employees	10,182	4.7	-		-	
Charge for transitional obligations for employees' retirement benefits	-		4,877	2.1	9,754	2.0
Other losses	732	0.4	6	0.0	67	0.0
Income (loss) before income taxes	(8,941)	(4.1)	13,863	5.9	2,755	0.6
Income taxes	(5,456)	(2.5)	10,823	4.6	8,758	1.8
Minority interest	(8)	(0.0)	(1)	(0.0)	0	0.0
Net income (loss)	(3,477)	(1.6)	3,041	1.3	(6,003)	(1.2)

Consolidated Statements of Shareholders' Equity

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002	First Half ended September 30, 2001	Year ended March 31, 2002
Retained earnings (Beginning)	-	96,560	96,560
Increase of retained earnings			
Adjustment of retained earnings for newly consolidated subsidiaries	-	692	692
Adjustment of retained earnings for additional application of equity method	-	351	351
Increase by merger between non-consolidated subsidiary and consolidated subsidiary	-	-	133
Decrease of retained earnings			
Cash dividends	-	1,479	2,959
Bonuses to directors and corporate auditors	-	50	50
Net income (loss)	-	3,041	(6,003)
Retained earnings (Ending)	-	99,116	88,725
(Capital surplus)			
Capital surplus (Beginning)	51,924	-	-
Capital surplus (Ending)	51,924	-	-
(Retained earnings)			
Retained earnings (Beginning)	88,725	-	-
Decrease of retained earnings			
Net loss	3,477	-	-
Retained earnings (Ending)	85,248	-	-

Consolidated Statements of Cash Flows

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002	First Half ended September 30, 2001	Year ended March 31, 2002
1. Cash flows from operating activities			
Income (loss) before income taxes	(8,941)	13,863	2,755
Depreciation and amortization	9,794	7,924	17,917
Net increase (decrease) in warranty reserve	(1,287)	791	82
Provision for employees' retirement benefits	769	4,071	7,303
Interest and dividend income	(620)	(790)	(1,149)
Interest expenses	1,407	1,816	3,658
Gains on sales of fixed assets	(998)	(21)	(3,180)
Losses on sales and disposal of fixed assets	236	303	1,258
Gains on sales of investment securities	(12)	(1,790)	(1,799)
Losses on sales of investment securities	500	1,825	3,357
Net decrease (increase) in trade notes and accounts receivable	(6,482)	30,021	42,718
Net decrease (increase) in inventories	(36,607)	(28,406)	(4,246)
Net increase (decrease) in trade notes and accounts payable	33,501	(6,874)	(40,806)
Other, net (operating activities)	9,689	(8,545)	(5,414)
Sub total	946	14,186	22,454
Interest and dividends received	563	722	1,119
Interest paid	(1,403)	(1,841)	(3,334)
Income taxes paid	4,342	(21,749)	(29,710)
Net cash provided by (used in) operating activities	4,447	(8,681)	(9,470)
2. Cash flows from investing activities			
Payments for purchases of tangible fixed assets	(12,310)	(13,889)	(28,422)
Proceeds from sales of tangible fixed assets	1,341	193	3,517
Payments for purchases of investment securities	(458)	(7,246)	(8,811)
Proceeds from sales of investment securities	487	7,378	8,489
Net decrease (increase) in loans receivable	(541)	(172)	652
Other, net (investing activities)	(4,509)	(1,855)	(1,276)
Net cash used in investing activities	(15,991)	(15,592)	(25,851)
3. Cash flows from financing activities			
Increase (decrease) in short-term borrowings	(15,371)	(4,651)	14,814
Increase (decrease) in commercial paper	(20,000)	12,000	13,000
Proceeds from long-term debt	57,392	10,040	26,155
Repayments of long-term debt	(5,068)	(2,295)	(25,739)
Dividends paid	(4)	(1,490)	(2,950)
Other, net (financing activities)	(78)	(122)	(166)
Net cash provided by financial activities	16,870	13,480	25,113
4. Foreign currency translation adjustments on cash and cash equivalents	(630)	(256)	580
5. Net increase (decrease) in cash and cash equivalents	4,695	(11,050)	(9,628)
6. Cash and cash equivalents at beginning of year	24,614	33,732	33,732
7. Cash and cash equivalents of newly consolidated subsidiaries at beginning of year	240	351	351
8. Cash and cash equivalents of deconsolidated subsidiaries at end of year	-	(0)	(0)
9. Cash and cash equivalents of merged previously non-consolidated subsidiary	-	-	158
10. Cash and cash equivalents at end of year	29,550	23,034	24,614

Summary of Significant Accounting Policies

(1)Securities

Held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold maturity are reported at amortized cost method.

Available-for-sale-securities, which are not classified as either of the aforementioned securities, are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of shareholders' equity. Available-for-sale-securities whose fair value is not readily determinable are stated principally at moving-average cost method.

(2)Inventories

Inventories of Nikon Corporation (the "Company") and its domestic subsidiaries are stated at cost as determined principally using the average method, except for work in process which is determined by the specific identification method. Inventories of foreign subsidiaries are stated at the lower of cost or market as determined principally using the first-in, first-out method.

(3)Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation of the Company and domestic subsidiaries is principally computed using the declining-balance method, while the straight-line method is applied to buildings (excluding facilities incidental to buildings), and foreign subsidiaries apply the straight-line method, using rates based on the estimated useful lives of the assets.

(4)Retirement and Pension Plans

The Company and major subsidiaries have non-contributory funded pension plans covering substantially all of its employees. Certain foreign subsidiaries also have contributory pension plans.

(5)Foreign Currency Financial Statements

The balance sheet accounts and revenue and expense accounts of the foreign subsidiaries are translated into Japanese yen at the current exchange rates except for shareholders' equity, which is translated at the historical exchange rate.

(6)Derivatives and Hedging Activities

The Company and its significant subsidiaries (collectively the "Group") enters into derivative financial instruments ("derivatives"), including contracts of foreign exchange forward, currency option, foreign currency swap and interest rate swap to hedge foreign exchange risk and interest rate exposures. The Group does not hold or issue derivatives for trading purpose.

All derivatives be recognized principally as either assets or liabilities and measured at fair value, and gains or losses on derivative transactions are recognized in the statements of operations unless the instrument qualifies for hedge accounting. For derivatives used for hedging purpose, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until maturity of the hedged transactions.

[Additional Information]

Effective April 1, 2002, statement of "Accounting for treasury stocks and reversal of legal reserves" was adopted. The effect of this adoption is immaterial.

(Summary for reference only)

Segment Information**1. Industry Segments**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002						
	Precision Equipment	Imaging Products	Instruments	Other	Total	Elimination or corporate	Consolidated
1. Net sales							
1)Outside	54,359	129,155	23,477	8,137	215,129	-	215,129
2)Intersegment sales/transfer	1,155	786	482	12,360	14,785	(14,785)	-
Total	55,515	129,941	23,959	20,498	229,915	(14,785)	215,129
Operating expenses	65,598	114,494	23,691	20,947	224,731	(14,952)	209,779
Operating income	(10,083)	15,447	268	(448)	5,184	166	5,350

Amount Unit: 1 Million Yen

	First Half ended September 30, 2001						
	Precision Equipment	Imaging Products	Instruments	Other	Total	Elimination or corporate	Consolidated
1. Net sales							
1)Outside	108,538	92,818	22,216	11,480	235,053	-	235,053
2)Intersegment sales/transfer	2,360	1,880	675	12,573	17,489	(17,489)	-
Total	110,898	94,698	22,892	24,053	252,542	(17,489)	235,053
Operating expenses	98,942	86,381	22,081	23,503	230,908	(17,621)	213,287
Operating income	11,955	8,316	810	550	21,633	132	21,765

Amount Unit: 1 Million Yen

	Year ended March 31, 2002						
	Precision Equipment	Imaging Products	Instruments	Other	Total	Elimination or corporate	Consolidated
1. Net sales							
1)Outside	194,927	219,575	45,410	23,061	482,975	-	482,975
2)Intersegment sales/transfer	4,063	2,001	1,231	25,114	32,410	(32,410)	-
Total	198,991	221,577	46,641	48,175	515,385	(32,410)	482,975
Operating expenses	195,357	205,443	46,173	46,598	493,573	(32,836)	460,736
Operating income	3,634	16,134	467	1,577	21,812	426	22,239

Precision Equipment ----- IC steppers, LCD steppers, etc.

Imaging Products ----- Cameras, Interchangeable camera lenses, Digital cameras, etc .

Instruments ----- Microscopes, Measuring instruments, etc.

Other ----- Binocular and telescope products, Ophthalmic frames, Surveying instruments ,etc.

Notes : The effect of the change in the accounting method of service revenue and related cost was to increase (decrease) net sales in the Precision Equipment, Imaging Products, Instruments, Other segments and Elimination or Corporate for the first half ended September 30, 2001 by 9,682 million yen, 1,707 million yen, 519 million yen, 452 million yen, (204) million yen, respectively, and decrease (increase) of operating expenses by the same amount, as compared with the amounts calculated by the prior method for the fiscal year ended March 31, 2001.

(Summary for reference only)

Segment Information**2. Geographic Segments**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002						
	Japan	North America	Europe	Asia	Total	Elimination or Corporate	Consolidated
1. Net sales							
1)Outside	83,994	71,931	45,049	14,155	215,129	-	215,129
2)Intersegment sales	99,905	812	63	7,554	108,335	(108,335)	-
Total	183,900	72,743	45,112	21,710	323,465	(108,335)	215,129
Operating expenses	189,139	70,023	43,732	19,414	322,309	(112,530)	209,779
Operating income	(5,239)	2,719	1,380	2,296	1,156	4,194	5,350

Amount Unit: 1 Million Yen

	First Half ended September 30, 2001						
	Japan	North America	Europe	Asia	Total	Elimination or Corporate	Consolidated
1. Net sales							
1)Outside	90,749	95,317	40,169	8,816	235,053	-	235,053
2)Intersegment sales	107,280	946	45	9,557	117,829	(117,829)	-
Total	198,029	96,263	40,214	18,374	352,883	(117,829)	235,053
Operating expenses	185,468	92,084	38,199	16,025	331,777	(118,489)	213,287
Operating income	12,561	4,179	2,015	2,349	21,105	659	21,765

Amount Unit: 1 Million Yen

	Year ended March 31, 2002						
	Japan	North America	Europe	Asia	Total	Elimination or Corporate	Consolidated
1. Net sales							
1)Outside	173,601	203,817	83,252	22,304	482,975	-	482,975
2)Intersegment sales	200,860	1,994	146	17,630	220,631	(220,631)	-
Total	374,461	205,812	83,398	39,934	703,606	(220,631)	482,975
Operating expenses	368,751	198,918	81,127	36,984	685,781	(225,045)	460,736
Operating income	5,709	6,893	2,271	2,949	17,824	4,414	22,239

North America : U.S.A., Canada

Europe : The Netherlands, Germany, United Kingdom, etc.

Asia : South Korea, Taiwan, Thailand, etc.

Notes : The effect of the change in the accounting method of service revenue and related cost was to increase (decrease) net sales in the segment of Japan, North America, Europe, Asia and Elimination or Corporate for the first half ended September 30, 2001 by 9,623 million yen, 3,243 million yen, 1,452 million yen, 2,444 million yen, (4,607) million yen, respectively, and decrease (increase) of operating expenses by the same amount, as compared with the amounts calculated by the prior method for the fiscal year ended March 31, 2001.

Segment Information**3. Export sales**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2002				
	North America	Europe	Asia	Other	Total
Export sales(A)	71,388	44,990	34,563	4,315	155,257
Net sales(B)					215,129
(A)/(B)	33.2%	20.9%	16.1%	2.0%	72.2%

Amount Unit: 1 Million Yen

	First Half ended September 30, 2001				
	North America	Europe	Asia	Other	Total
Export sales(A)	94,527	38,979	34,256	3,361	171,124
Net sales(B)					235,053
(A)/(B)	40.2%	16.6%	14.6%	1.4%	72.8%

Amount Unit: 1 Million Yen

	Year ended March 31, 2002				
	North America	Europe	Asia	Other	Total
Export sales(A)	202,242	81,815	65,172	5,239	354,470
Net sales(B)					482,975
(A)/(B)	41.9%	16.9%	13.5%	1.1%	73.4%

North America : U.S.A., Canada

Europe : The Netherlands, Germany, United Kingdom, etc.

Asia : South Korea, Taiwan, Singapore, etc.

Other : South and Central America, Oceania, Africa, etc.

Note: The effect of the change in the accounting method of service revenue and related costs was to increase net sales of North America, Europe, Asia and Other Area for the first half ended September 30, 2001 by 3,196 million yen, 1,357 million yen, 1,351million yen, 28 million yen, respectively, as compared with the amounts calculated by the prior method for the fiscal year ended March 31, 2001.

Marketable Securities (Consolidated)

1. Fair Value of Available-for-sale securities

Amount Unit: 1 Million Yen

	As of September 30, 2002			As of September 30, 2001			As of March 31, 2002		
	Cost	Fair Value	Net unrealized gains	Cost	Fair Value	Net unrealized gains	Cost	Fair Value	Net unrealized gains
1)Equity securities	38,924	40,627	1,703	40,647	41,715	1,067	39,113	40,973	1,860
2)Debt securities	47	47	-	42	42	-	47	47	-
Total	38,971	40,675	1,703	40,690	41,757	1,067	39,160	41,021	1,860

2. Available-for-sale securities whose fair value is not readily determinable

Amount Unit: 1 Million Yen

	As of September 30, 2002	As of September 30, 2001	As of March 31, 2002
	Carrying Amount	Carrying Amount	Carrying Amount
Available-for-sale securities			
Equity securities	3,723	4,181	4,329
Other securities	-	50	-

Derivatives (Consolidated)

Amount Unit: 1 Million Yen

Classification	Type	As of September 30, 2002			As of September 30, 2001			As of March 31, 2002		
		Contract or Notional Amount	Fair Value	Net unrealized gains (losses)	Contract or Notional Amount	Fair Value	Net unrealized gains (losses)	Contract or Notional Amount	Fair Value	Net unrealized gains (losses)
Currency	Forward exchange contracts									
	Selling positions	35,001	35,489	(488)	23,141	23,157	(15)	14,743	14,799	(55)
	Buying positions	14,172	14,559	387	13,265	12,693	(572)	7,773	7,275	(497)
Interest rate	Interest swap agreements	50,000	77	77	60,000	488	488	50,000	32	32
Total		-	-	(24)	-	-	(98)	-	-	(520)

(Note) Derivative which qualified for hedge accounting are excluded from disclosure of market value information.

**First Half ended September 30, 2002 Financial Results (Non-Consolidated)****Company name:** NIKON CORPORATION**Code number:** 7731**(URL <http://www.nikon.co.jp>)****Address of headquarters:** Fuji Building, 2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-8331, Japan**Contact:** Toshiyuki Masai, General Manager, Corporate Communications Department**Telephone:** +81-3-3216-1032**Stock listings:** Tokyo Stock Exchange, Osaka Securities Exchange**Date of the Board Meeting for the First Half ended September 30, 2002:** November 11, 2002**1. Results of First Half ended September 30, 2002 (From April 1, to September 30, 2002)**

(Note) Amount Unit: 1 Million Yen unless otherwise specified (Amounts less than 1 Million Yen are omitted.)

(1) Financial Results

	Net Sales	Change	Operating Income	Change	Ordinary Income	Change
First Half ended September 30, 2002	¥155,791	(10.6)%	¥(8,692)	-%	¥(9,952)	-%
First Half ended September 30, 2001	¥174,290	(0.9)%	¥7,955	(38.6)%	¥10,632	(1.0)%
Year ended March 31, 2002	¥325,222		¥891		¥390	

	Net Income	Change	Net Income per share of Common Stock (Yen)
First Half ended September 30, 2002	¥(11,439)	-%	¥(30.94)
First Half ended September 30, 2001	¥4,367	76.1%	¥11.81
Year ended March 31, 2002	¥(5,302)		¥(14.34)

(Note) 1. Average number of Shares outstanding: First Half ended September 30, 2002 :369,774,850 Shares
First Half ended September 30, 2001 :369,859,560 Shares
Year ended March 31, 2002 :369,833,275 Shares

2. Change in accounting method : N/A

3. Percent Increase(Decrease): First Half ended September 30, 2002/First Half ended September 30, 2001

(Not complete, just for reference)

Date: November 11, 2002

(2) Cash Dividends

	Interim Cash Dividends per Share of Common Stock (Yen)	Cash Dividends per Share of Common Stock for the year (Yen)
First Half ended September 30, 2002	¥0.00	-
First Half ended September 30, 2001	¥4.00	-
Year ended March 31, 2002	-	¥4.00

(3) Financial Position

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share of Common Stock (Yen)
First Half ended September 30, 2002	¥494,842	¥139,955	28.3 %	¥378.52
First Half ended September 30, 2001	¥474,037	¥162,261	34.2 %	¥438.75
Year ended March 31, 2002	¥453,557	¥151,535	33.4 %	¥409.77

(Note)1.Number of Shares outstanding as of September 30, 2002 :369,741,496 shares

as of September 30, 2001 :369,826,772 shares

as of March 31, 2002 :369,805,363 shares

2.Number of Shares outstanding held as Treasury stock : as of September 30, 2002 :203,836 Shares

as of September 30, 2001 :100,812 shares

as of March 31, 2002 :139,969 shares

2. Forecast for Year ended March 31, 2003 (From April 1, 2002 to March 31, 2003)

Amount Unit : 1 Million Yen

	Net Sales	Ordinary Income	Net Income	Cash Dividends per share of Common Stock for the year (year-end Cash Dividends)
Year ended March 31, 2003	¥350,000	¥(10,000)	¥(7,000)	- (-)

Ref. Expected net income per share of common stock for year ended March 31, 2003: (18.93) Yen

Non-Consolidated Balance Sheets

Amount Unit : 1Million Yen

	As of September 30, 2002		As of September 30, 2001		As of March 31, 2002	
		%		%		%
[Assets]						
1. Current Assets						
Cash and time deposits	12,661		9,353		8,726	
Notes receivable	41,819		37,924		30,172	
Accounts receivable	72,215		79,246		68,317	
Inventories	158,533		154,908		141,714	
Short-term loans receivable	18,203		11,226		17,462	
Other current assets	16,791		15,103		19,553	
Allowance for doubtful receivables	(1,707)		(341)		(1,715)	
Total current assets	318,516	64.4	307,422	64.9	284,231	62.7
2. Fixed Assets						
Tangible fixed assets	74,500		71,183		74,899	
Buildings	20,936		21,601		21,447	
Machinery and equipment	25,495		21,147		24,685	
Other tangible fixed assets	28,067		28,434		28,767	
Intangible fixed assets	6,161		5,936		5,786	
Investments and other assets	95,663		89,495		88,640	
Investment securities	44,169		45,732		45,092	
Investments in subsidiaries and associated companies	23,230		23,553		23,565	
Other	28,687		20,288		20,370	
Allowance for doubtful receivables	(423)		(78)		(387)	
Total fixed assets	176,325	35.6	166,615	35.1	169,326	37.3
Total assets	494,842	100.0	474,037	100.0	453,557	100.0

Non-Consolidated Balance Sheets

Amount Unit : 1Millon Yen

	As of		As of		As of	
	September 30, 2002		September 30, 2001		March 31, 2002	
		%		%		%
[Liabilities]						
1. Current Liabilities						
Notes payable	710		886		707	
Accounts payable	88,925		82,870		59,471	
Short-term bank loans	40,450		34,850		57,350	
Current portion of long-term debt	748		4,514		3,614	
Commercial papers	25,000		44,000		45,000	
Current portion of bonds	20,000		20,000		10,000	
Accrued expenses	11,392		15,376		11,868	
Accrued income taxes	341		2,729		24	
Provision for warranty	1,355		2,218		1,503	
Other current liabilities	22,427		18,790		18,128	
Total current liabilities	211,352	42.7	226,236	47.7	207,668	45.8
2. Long-term Liabilities						
Bonds	121,000		70,000		75,000	
Long-term debt	5,981		3,530		4,022	
Liability for severance indemnities	15,782		11,052		14,650	
Other long-term liabilities	770		956		680	
Total long-term liabilities	143,534	29.0	85,538	18.1	94,353	20.8
Total liabilities	354,886	71.7	311,775	65.8	302,022	66.6
[Shareholders' Equity]						
1. Common stock	36,660	7.4	36,660	7.7	36,660	8.1
2. Capital surplus	51,924	10.5	51,909	11.0	51,924	11.4
3. Retained earnings	50,637	10.2	73,226	15.4	62,076	13.7
4. Unrealized gains on securities	974	0.2	584	0.1	1,036	0.2
5. Treasury stock	(241)	(0.0)	(120)	(0.0)	(163)	(0.0)
Total shareholders' equity	139,955	28.3	162,261	34.2	151,535	33.4
Total Liabilities and Shareholders' Equity	494,842	100.0	474,037	100.0	453,557	100.0

Non-Consolidated Statements of Operations

Amount Unit : 1Million Yen

	First Half ended September 30, 2002		First Half ended September 30, 2001		Year ended March 31, 2002	
		%		%		%
1. Operating revenues						
Net sales	155,791	100.0	174,290	100.0	325,222	100.0
2. Operating cost and expenses						
Cost of sales	129,595	83.2	131,516	75.5	255,892	78.7
Selling, general and administrative expenses	34,888	22.4	34,818	19.9	68,439	21.0
3. Operating income (loss)	(8,692)	(5.6)	7,955	4.6	891	0.3
4. Non-operating income	4,114	2.6	5,780	3.3	11,420	3.5
Interest income	56		51		100	
dividend income	1,761		3,752		5,804	
Other income	2,296		1,976		5,515	
5. Non-operating expenses	5,374	3.4	3,103	1.8	11,921	3.7
Interest expenses	164		165		332	
Interest expenses on bonds	905		1,173		2,230	
Loss on disposals of inventories	317		202		1,646	
Write-down of inventories	1,829		758		6,393	
Bond issue expense	1,230		2		90	
Other expenses	927		802		1,227	
6. Ordinary income (loss)	(9,952)	(6.4)	10,632	6.1	390	0.1
7. Special gains	986	0.6	1,796	1.0	4,931	1.5
Gains on sales of fixed assets	986		5		3,140	
Gains on sales of investment securities	-		1,790		1,790	
8. Special losses	10,089	6.4	6,588	3.7	14,854	4.5
Losses on disposal of fixed assets	189		224		613	
Losses on sales of fixed assets	1		4		84	
Losses on sales of investment securities	495		1,825		3,357	
Losses on devaluation of investment securities	336		6		41	
Losses on devaluation of investments in subsidiaries and associated companies	334		-		-	
Provision for liability for severance indemnities	-		4,526		9,053	
Provision for losses on doubtful receivables	35		-		9	
Provision for losses on doubtful loans receivable to subsidiaries and associated companies	-		-		1,689	
Losses on devaluation of the golf club membership	10		-		5	
Additional retirement benefits paid to employees	8,685		-		-	
9. Income (loss) before income taxes	(19,055)	(12.2)	5,840	3.4	(9,532)	(2.9)
10. Income taxes-current	643	0.4	3,050	1.8	310	0.1
11. Income taxes-deferred	(8,259)	(5.3)	(1,577)	(0.9)	(4,540)	(1.4)
12. Net income (loss)	(11,439)	(7.3)	4,367	2.5	(5,302)	(1.6)
13. Retained earnings brought forward	2,413		10,410		10,410	
14. Interim dividends paid	-		-		1,479	
15. Unappropriated retained earnings (loss) at end	(9,025)		14,777		3,628	

Sales Performance (Non-Consolidated)

Amount Unit : 1Million Yen

Segment	First Half ended September 30, 2002		First Half ended September 30, 2001		Year ended March 31, 2002	
	Amount	%	Amount	%	Amount	%
Precision Equipment	43,647	28.0	75,648	43.4	139,619	42.9
Imaging Products	98,911	63.5	79,849	45.8	149,903	46.1
Instruments	11,546	7.4	13,967	8.0	26,039	8.0
Other	1,686	1.1	4,825	2.8	9,660	3.0
Total	155,791	100.0	174,290	100.0	325,222	100.0
Domestic	43,208	27.7	50,719	29.1	98,633	30.3
Export	112,583	72.3	123,570	70.9	226,589	69.7