



Financial Results for the 3rd Quarter of the Year Ending March 31, 2013

Conference in Tokyo (Feb. 6, 2013)

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, 2013**
- II. Estimation for the Year Ending
March 31, 2013
- III. Reference Data

- ◆ Current Q3 sales posted over 20% hike on previous Q3 whose performance had been affected by Thai floods. Three quarter sales posted 9% increase, but the operating income fell down 74% for Q3 and 43% for three quarters because of significant shrinkage of steppers/scanners market.

Precision Equipment Company

Both IC and LCD steppers/scanners suffered the market shrinkage, lowering its sales volume for third quarter and three quarters from same periods of previous year. Both sales and income decreased for Q3 and three quarter total.

Imaging Company

Inventory level at the end of 1st half of fiscal year was raised to cope with the Thai floods risk. As Q3 started seeing the reduction of the inventory, the market condition got abruptly worsened from late November. That led a substantial reduction of assumed unit price of Digital camera – Interchangeable Lens Type, resulting in deterioration of the Q3 operating income ratio compared to 1st half.

Instruments Company

In Q3, the bioscience field was influenced by postponed government spending in Japan, and the industrial instruments field by suppressed investments by semiconductor and electronics parts manufacturers. Both sales and income decreased for Q3 and three quarter total on previous year.

Financial Highlights for the 3rd Quarter of the Year Ending March 31, 2013



Billions of yen	12/3(A)		13/3(B)		(B)-(A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	215.3	701.6	266.0	763.2	+50.7	+61.6
Operating Income % vs Net Sales	8.1 3.8%	69.3 9.9%	2.1 0.8%	39.2 5.1%	-6.0	-30.1
Ordinary Income % vs Net Sales	11.0 5.1%	76.1 10.8%	1.4 0.5%	40.9 5.4%	-9.6	-35.2
Net Income % vs Net Sales	-3.6 -%	46.7 6.7%	0.3 0.1%	32.3 4.2%	+3.9	-14.4
FCF	-13.3		-35.4		-22.1	
Exchange Rate:					Impact on Net Sales:	
US\$	77yen	79yen	81yen	80yen	+8.6	-10.7
EURO	104yen	111yen	105yen	102yen	0	-12.6

As the world's economy decelerated in Q3, the earning environment of Imaging Company suddenly deteriorated and the steppers/scanners market for Precision Equipment Company shrunk. Overall, sales increased but operating income decreased both in Q3 and year-to-Q3.

* Values in this slide are rounded off to the nearest 100 million.

Precision Equipment Company: 3rd Quarter



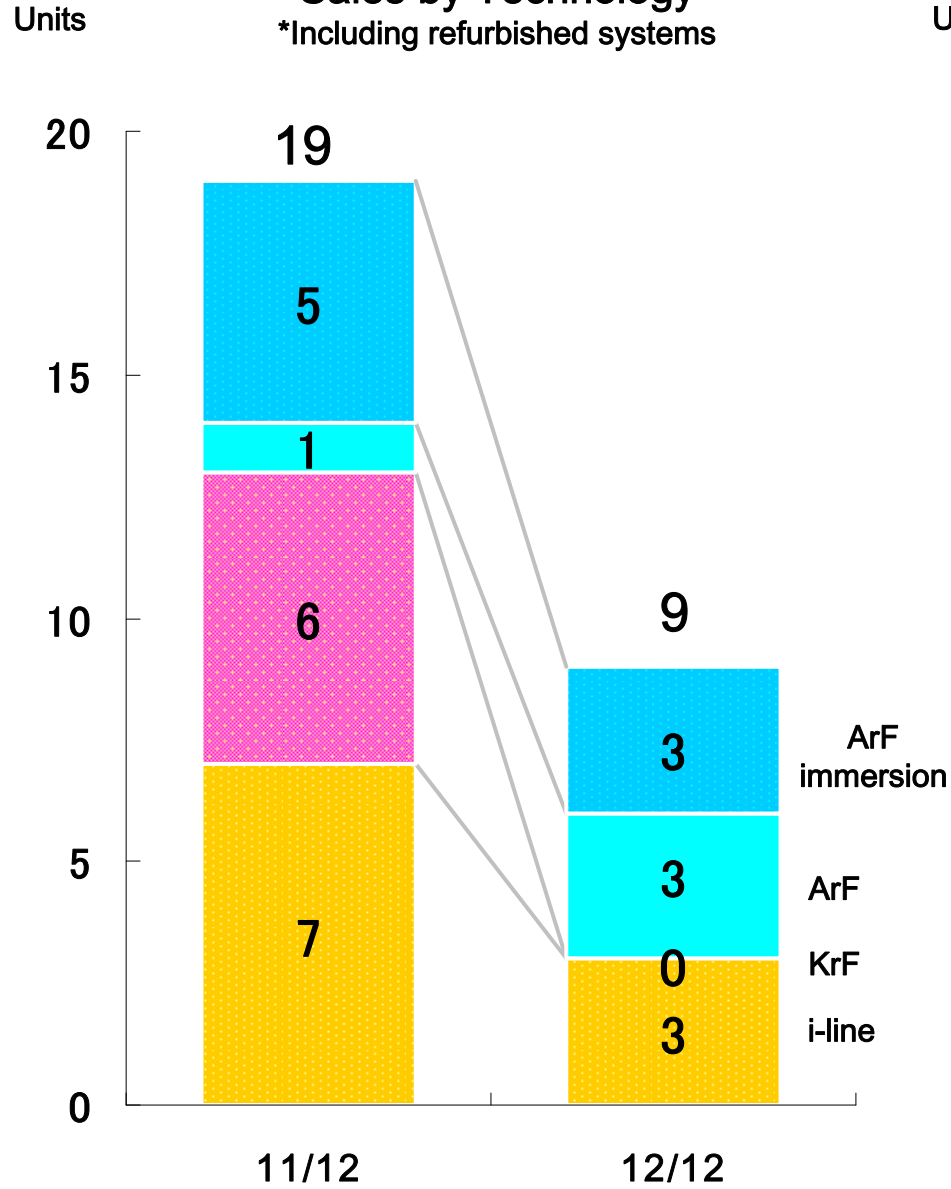
Billions of yen	12/3(A)		13/3(B)		(B)-(A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	58.8	183.6	39.7	120.1	-19.1	-63.5
Operating Income	8.8	32.1	-2.1	5.0	-10.9	-27.1
% vs Net Sales	15.0%	17.5%	- %	4.2%		
IC Steppers & Scanners New / Refurbished (units sold)	14/5	40/21	6/3	15/8	-8/-2	-25/-13
LCD Steppers & Scanners (units sold)	20	68	7	32	-13	-36

Third quarter continued to suffer from the shrinking steppers/scanners market as in the 1st half of fiscal year. Accumulated sales volume in Q1 to Q3 fell over 60% for new IC steppers/scanners and over 50% for LCD steppers/scanners from the previous period. Both sales and operating income for three quarters deteriorated 35% and 84% respectively.

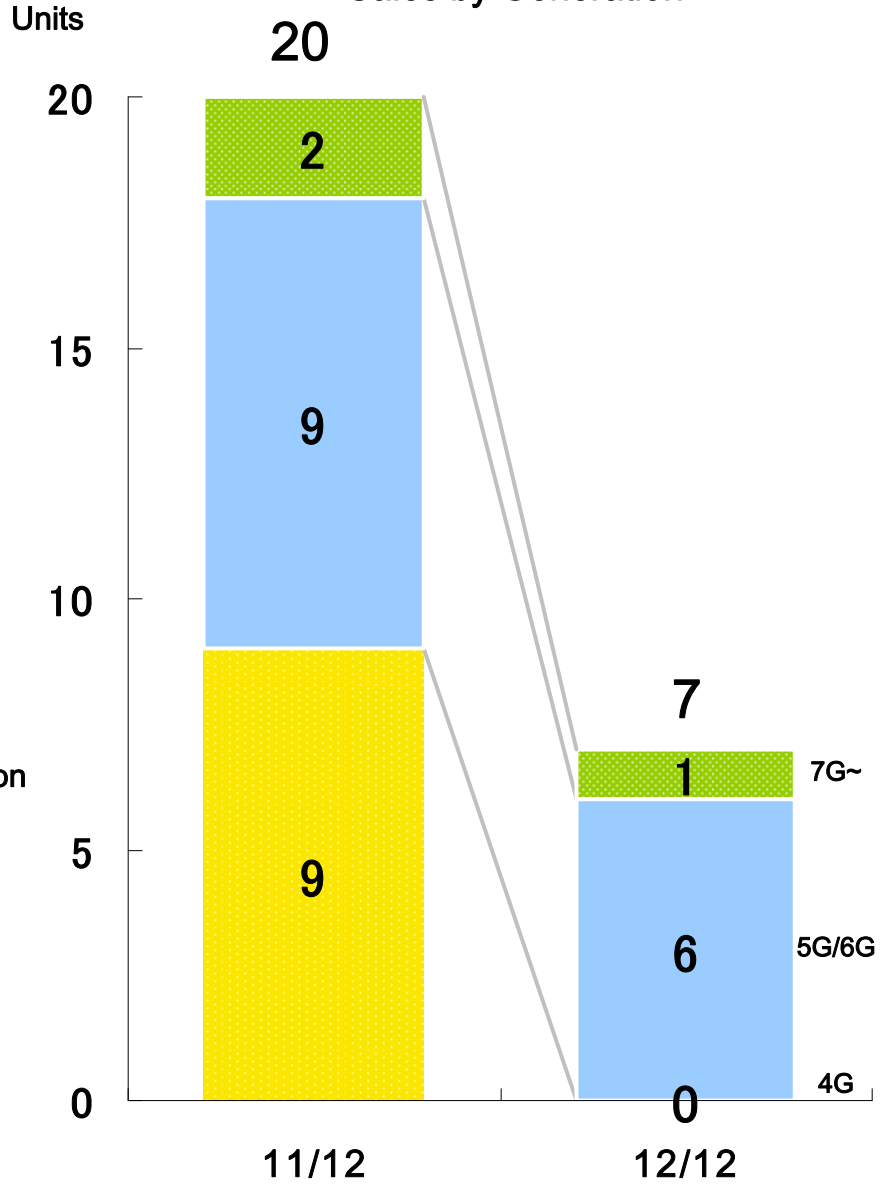


IC Steppers & Scanners Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners Sales by Generation



Imaging Company: 3rd Quarter

Billions of yen 1,000 of units sold	12/3(A)		13/3(B)		(B)-(A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	137.4	461.9	207.3	588.4	+69.9	+126.5
Operating Income % vs Net Sales	3.7 2.7%	51.2 11.1%	10.6 5.1%	52.4 8.9%	+6.9	+1.2
Digital camera – Interchangeable Lens Type	940	3,670	2,100	5,550	+1,160	+1,880
Interchangeable Lens	1,630	5,560	2,950	7,710	+1,320	+2,150
Compact DSC	6,010	13,870	6,190	14,450	+180	+580

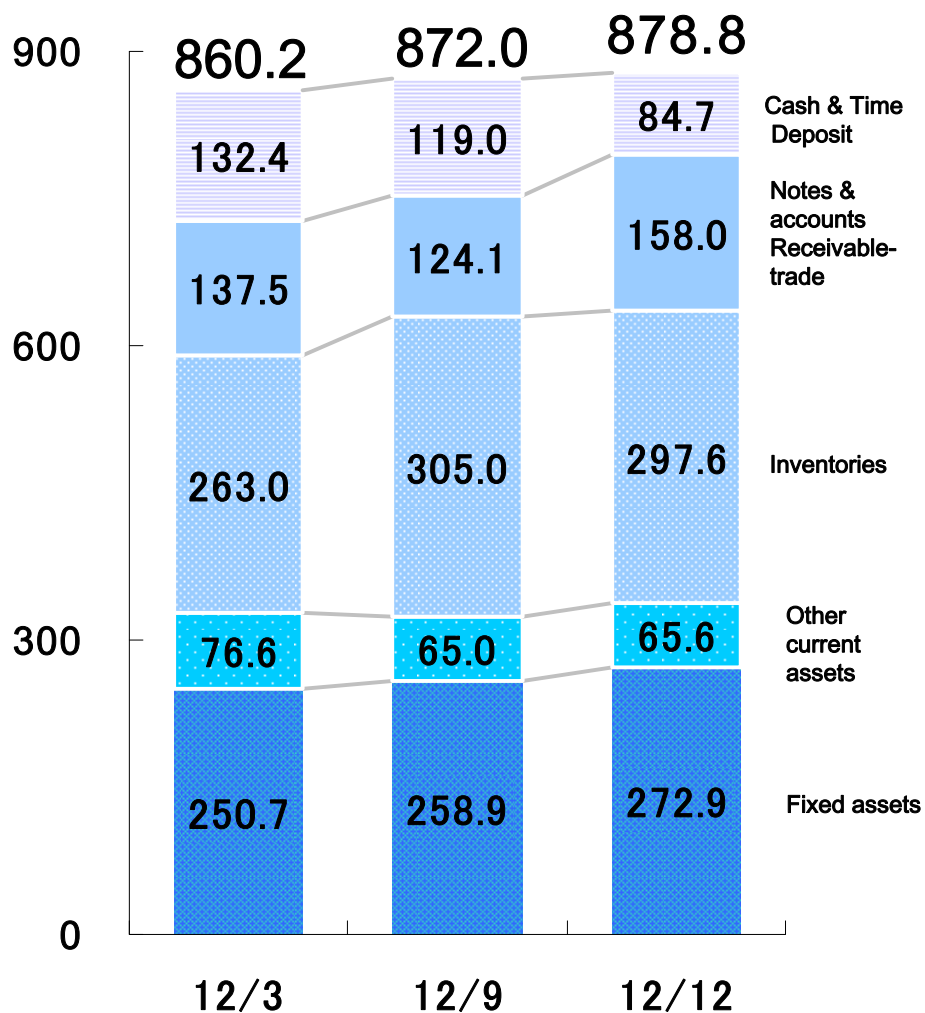
Compact DSC sold more units than previous year in spite of accelerated shrinkage of the market. The unit price of Digital camera – Interchangeable Lens Type did not reach our expectation as the earning environment suddenly worsened in late November. Imaging Company's Q3 income ratio significantly lowered from the 1st half (11%).

Billions of yen	12/3(A)		13/3(B)		(B)-(A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	13.2	37.8	12.1	35.8	- 1.1	- 2.0
Operating Income % vs Net Sales	-1.0 -%	- 3.4 -%	-1.7 -%	- 4.7 -%	- 0.7	- 1.3

Government spending reduction and postponement influenced the bioscience performance, while restrained investment for semiconductor and electronics parts adversely impacted the industrial instruments performance. Sales and income posted year-on-year decline both for Q3 and three quarter total.

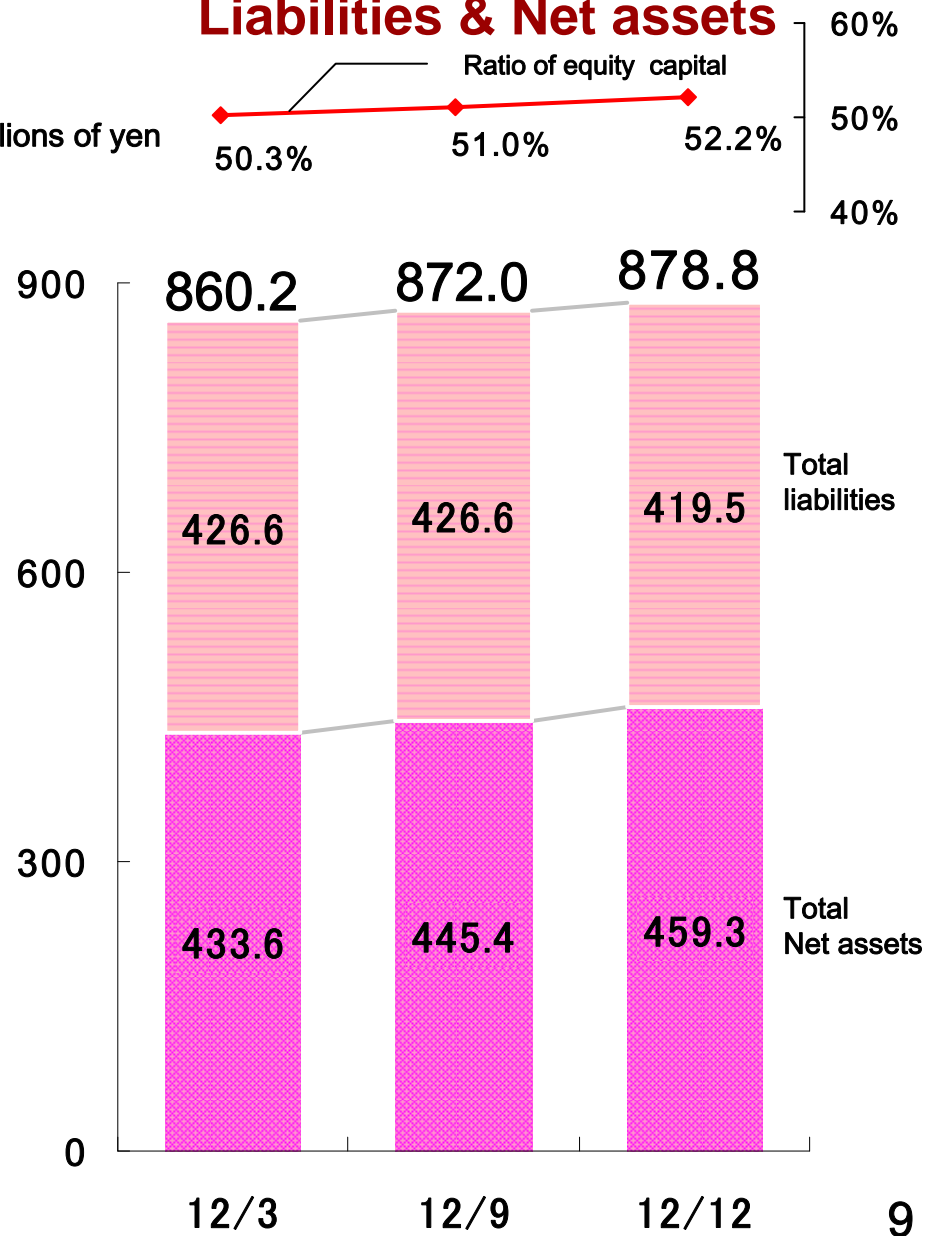
Assets

Billions of yen



Liabilities & Net assets

Billions of yen



Agenda

- I. Financial Results for the 3rd Quarter of the Year Ending March 31, 2013
- II. Estimation for the Year Ending March 31, 2013**
- III. Reference Data

◆ Sales forecast is cut 10 billion yen. Depreciation of yen in the 2nd half expects to give a positive effect of approximately 20 billion yen (¥5.6B for Q3, ¥14B for Q4 forecast). Operating income is downgraded 24 billion yen, while 3 billion yen benefit is expected due to yen weakening (¥0 for Q3, ¥3B for Q4).

Precision Equipment Company

- The 2nd half year sales are being posted as forecasted: thus, maintaining the yearly forecast.

Imaging Company

- Due to sluggish economy, sales volume forecast is cut 100K units for Digital camera – Interchangeable Lens Type and 200K units for Interchangeable Lens.

- Sales forecast is downgraded 5 billion yen.

- The 2nd half earning environment deteriorated as the market condition worsened after late November while the inventory, which had been accumulated to cope with the Thai floods risk, was decreased. Operating income forecast is lowered 20 billion yen.

Instruments Company

- Both bioscience and industrial instruments fields will continue to suffer from sluggish market conditions.

- Sales and income forecasts are respectively downgraded 3 billion yen and 1 billion yen.

◆ Assumed exchange rate for Q4 is changed from ¥80 to ¥85 per US dollar and from ¥100 to ¥115 per Euro.

◆ Estimated annual dividend per share is changed from 41 yen to 31 yen.

Performance Estimation for the Year Ending March 31, 2013



Billions of yen	12/3 (A)	3Qs 4Q	Previous Forecast as of Nov. 1(B)	1H 2H	New Estimation (C)	3Qs 4Q	Change (C-A)	Change (C-B)
Net Sales	918.6	$\frac{701.6}{217.0}$	1010.0	$\frac{497.2}{512.8}$	1000.0	$\frac{763.2}{236.8}$	+81.4	-10.0
Operating Income % vs Net Sales	80.0 8.7%	$\frac{69.3}{10.7}$	72.0 7.1%	$\frac{37.1}{34.9}$	48.0 4.8%	$\frac{39.2}{8.8}$	-32.0	-24.0
Ordinary Income % vs Net Sales	89.3 9.7%	$\frac{76.1}{13.2}$	75.0 7.4%	$\frac{39.5}{35.5}$	48.0 4.8%	$\frac{40.9}{7.1}$	-41.3	-27.0
Net Income % vs Net Sales	59.3 6.5%	$\frac{46.7}{12.6}$	60.0 5.9%	$\frac{32.0}{28.0}$	38.0 3.8%	$\frac{32.3}{5.7}$	-21.3	-22.0
FCF	-34.0		20.0		10.0		+44.0	-10.0
Exchange Rate:	79 _{yen}	$\frac{79_{\text{yen}}}{79_{\text{yen}}}$	80 _{yen}	$\frac{79_{\text{yen}}}{80_{\text{yen}}}$	81 _{yen}	$\frac{80_{\text{yen}}}{85_{\text{yen}}}$		
US\$	109 _{yen}	$\frac{111_{\text{yen}}}{104_{\text{yen}}}$	100 _{yen}	$\frac{101_{\text{yen}}}{100_{\text{yen}}}$	105 _{yen}	$\frac{102_{\text{yen}}}{115_{\text{yen}}}$		
EURO								

World's economy continues to be sluggish in Q4. Forecast for sales and operating income is slashed 10 billion yen and 24 billion yen each.

Estimation for Precision Equipment Company



Billions of yen	12/3	<u>3Qs</u> 4Q	Previous Forecast as of Nov. 1	<u>1H</u> 2H	New Estimation	<u>3Qs</u> 4Q
Net Sales	248.1	<u>183.6</u> 64.5	185.0	<u>80.4</u> 104.6	185.0	<u>120.1</u> 64.9
Operating Income % vs Net Sales	42.7 17.2%	<u>32.1</u> 10.6	11.0 5.9%	<u>7.2</u> 3.8	11.0 5.9%	<u>5.0</u> 6.0
IC Steppers & Scanners New / Refurbished (units sold)	55/29	<u>40/21</u> 15/8	28/17	<u>9/5</u> 19/12	28/17	<u>15/8</u> 13/9
LCD Steppers & Scanners (units sold)	86	<u>68</u> 18	42	<u>25</u> 17	42	<u>32</u> 10
Market Scale IC Steppers & Scanners (units sold) CY11/12	311		Approx. 230		222	
Market Scale LCD Steppers & Scanners (units sold) CY11/12	109		Approx. 60		66	

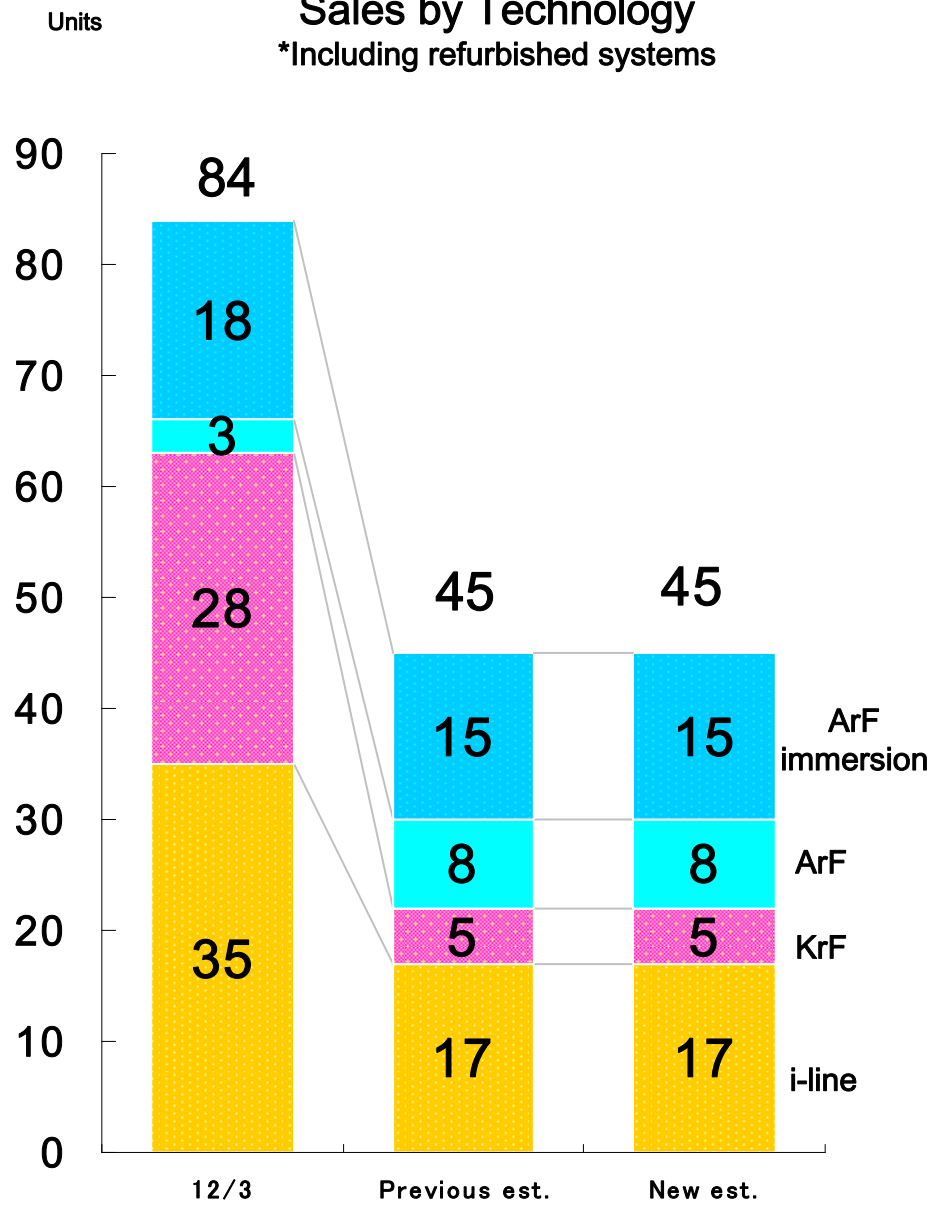
Nikon received the world's first purchase orders for prototype ArF immersion scanners designed for 450 mm wafer.

Estimation for Precision Equipment Company

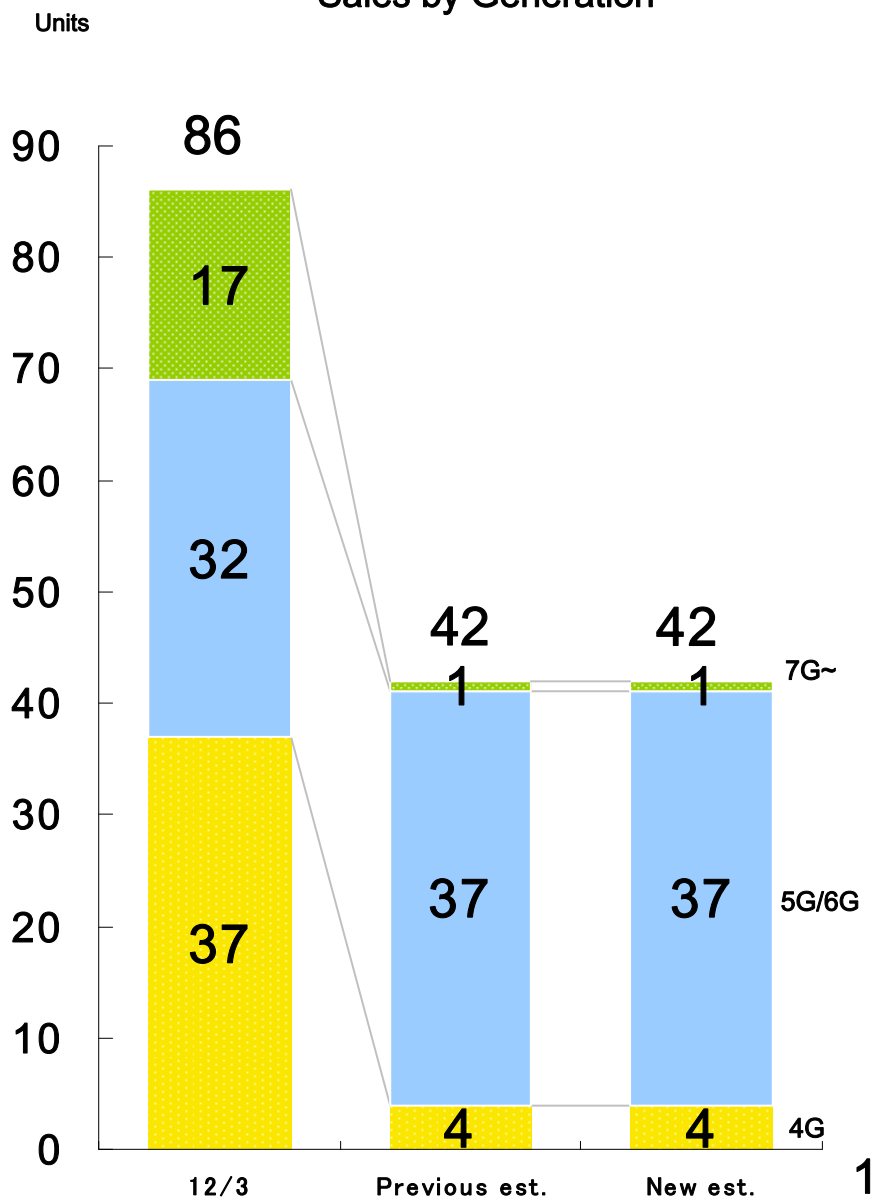


IC Steppers & Scanners Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners Sales by Generation



Estimation for Imaging Company



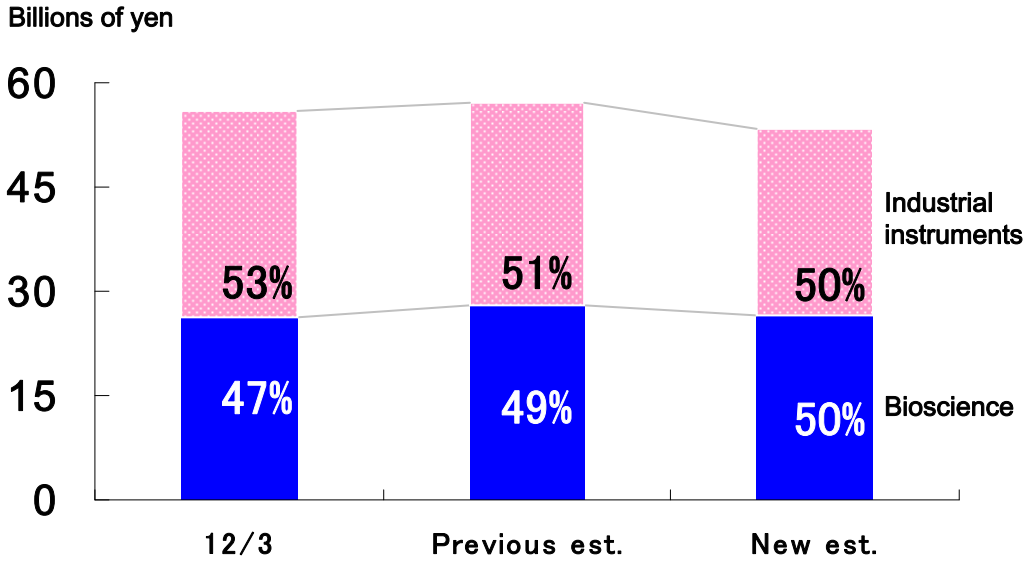
Billions of yen 1,000 of units sold	12/3	<u>3Qs</u> 4Q	Previous Forecast as of Nov. 1	<u>1H</u> 2H	New Estimation	<u>3Qs</u> 4Q
Net Sales	587.1	<u>461.9</u> 125.2	740.0	<u>381.0</u> 359.0	735.0	<u>588.4</u> 146.6
Operating Income % vs Net Sales	53.9 9.2%	<u>51.2</u> 2.7	80.0 10.8%	<u>41.8</u> 38.2	60.0 8.2%	<u>52.4</u> 7.6
Digital camera – Interchangeable Lens Type	4,740	<u>3,670</u> 1,070	7,100	<u>3,450</u> 3,650	7,000	<u>5,550</u> 1,450
Interchangeable Lens	7,130	<u>5,560</u> 1,570	10,000	<u>4,770</u> 5,230	9,800	<u>7,710</u> 2,090
Compact DSC	17,370	<u>13,870</u> 3,500	17,000	<u>8,260</u> 8,740	17,000	<u>14,450</u> 2,550
Market Scale DCIL	16,330		19,000		20,500	
Market Scale IL	26,410		31,000		32,000	
Market Scale C-DSC	99,330		80,000		73,000	

Due to sluggish economy, sales volume forecast is cut 100K units for Digital camera – Interchangeable Lens Type and 200K units for Interchangeable Lens. Worsening of earning environment continues in Q4. The inventory level is normalized by fiscal year end.

Estimation for Instruments Company



Billions of yen	12/3	3Qs 4Q	Previous Forecast as of Nov. 1	1H 2H	New Estimation	3Qs 4Q
Net Sales	56.0	<u>37.8</u> 18.2	57.0	<u>23.7</u> 33.3	54.0	<u>35.8</u> 18.2
Operating Income % vs Net Sales	-3.1 - %	<u>-3.4</u> 0.3	-3.0 - %	<u>-2.9</u> -0.1	-4.0 - %	<u>-4.7</u> 0.7

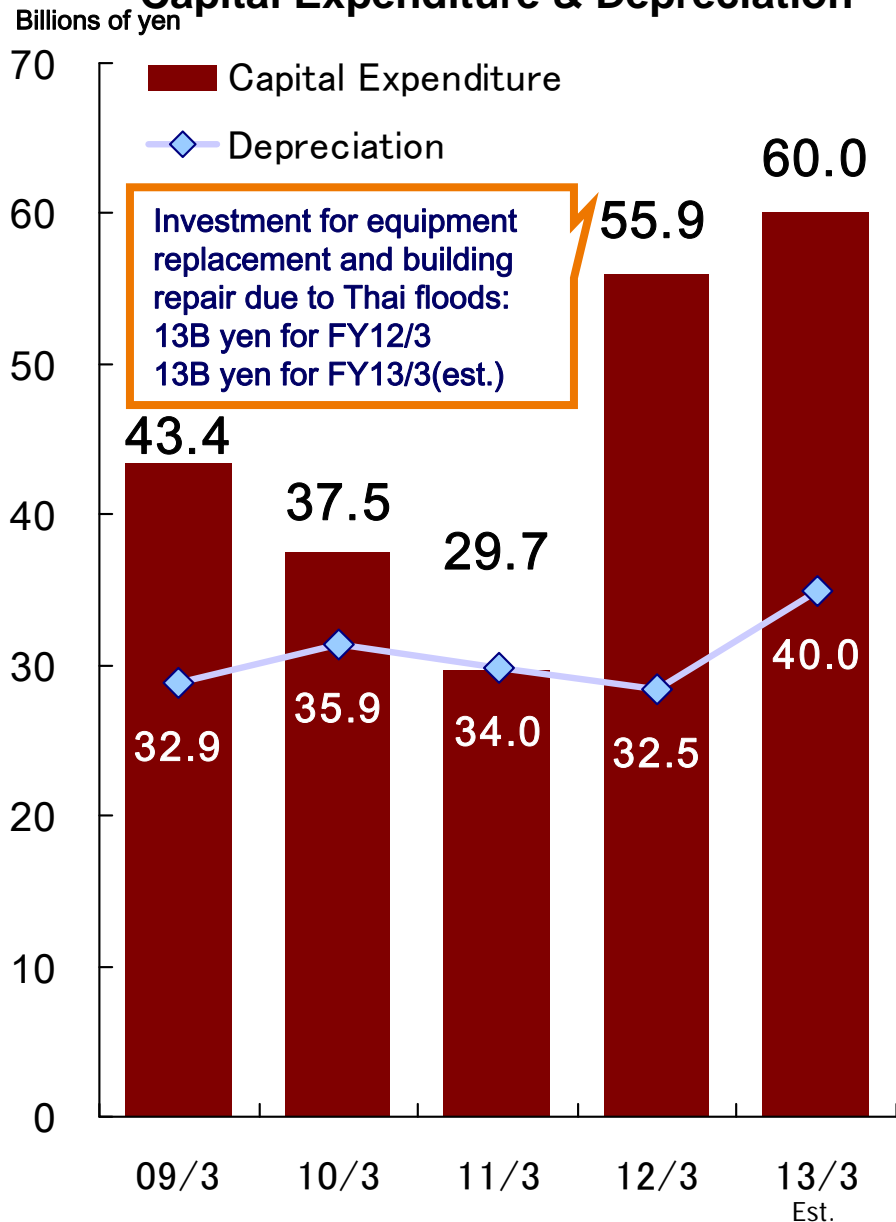


The yearly forecast is downgraded because of reduced or delayed spending by governments (bioscience) and restrained investment in Japan and Asian countries (industrial instruments).

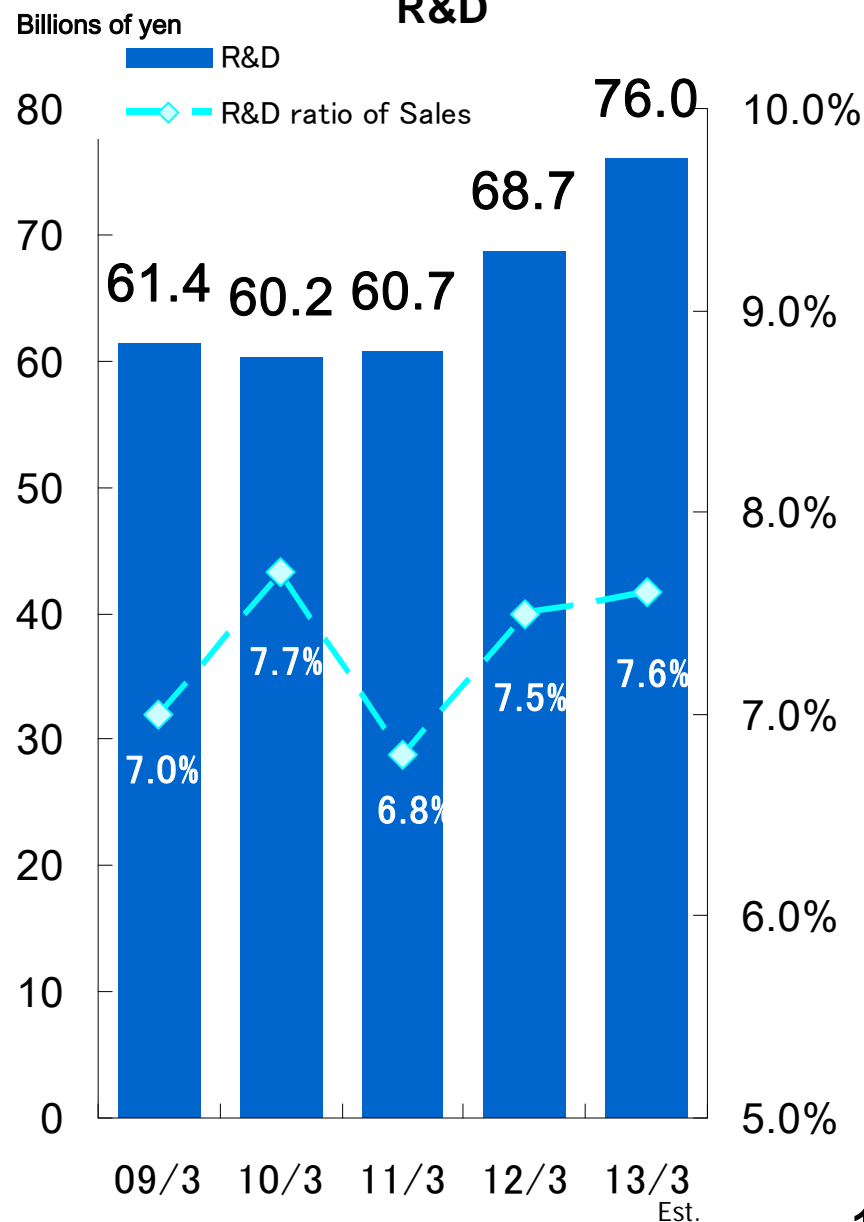
Estimation for Capital Expenditure, Depreciation and R&D



Capital Expenditure & Depreciation



R&D



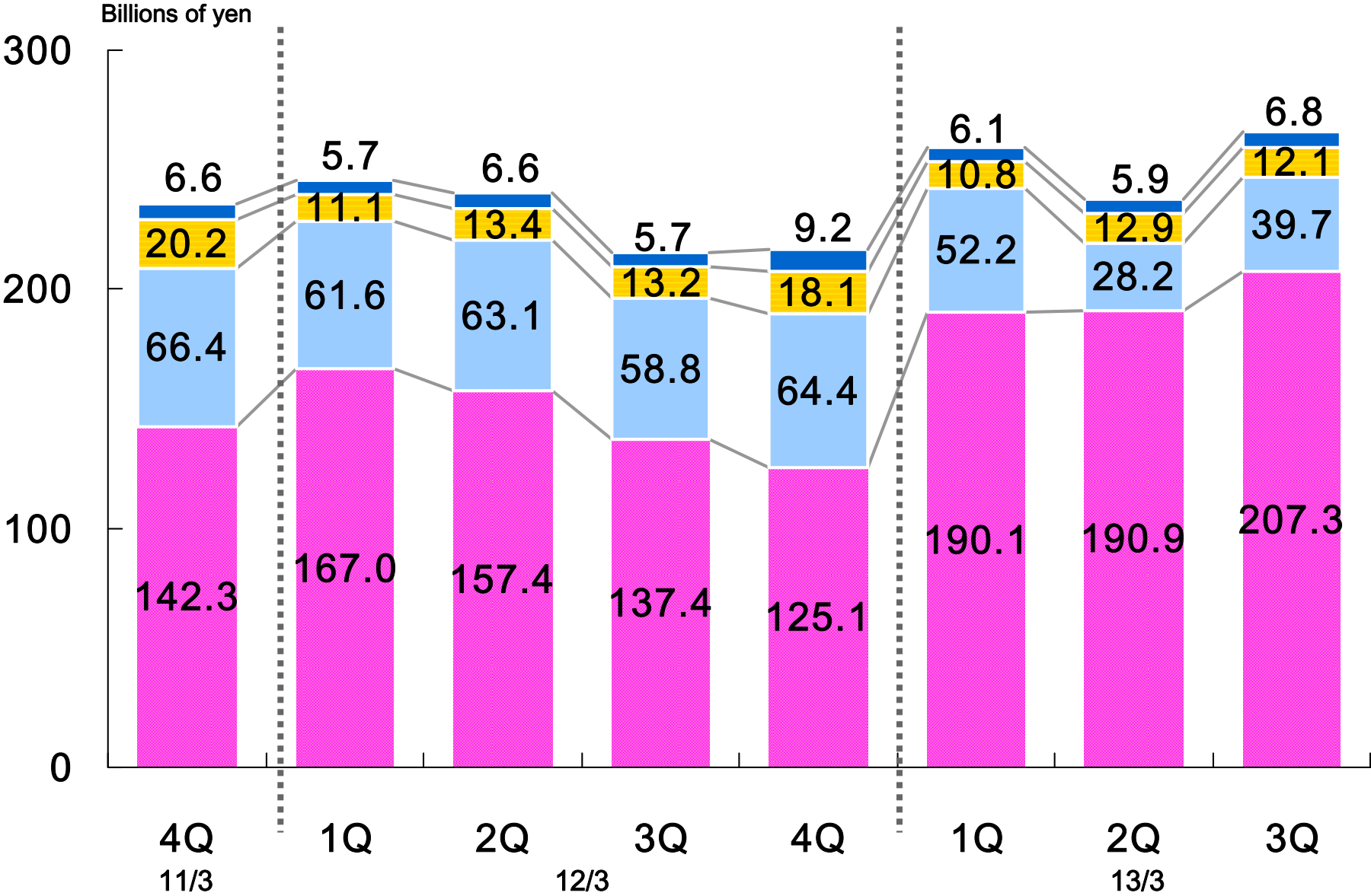
Agenda

- I. Financial Results for the 3rd Quarter of the Year Ending March 31, 2013
- II. Estimation for the Year Ending March 31, 2013
- III. Reference Data**

13/3 Estimation

Billions of yen	Exchange Rate	Financial Impact from Fluctuation by 1 yen	
	13/3 4Q Forecast	Net Sales 4Q	Operating Income 4Q
US\$	85 yen	Approx. 1.3	Approx. 0
EURO	115 yen	Approx. 0.5	Approx. 0.2

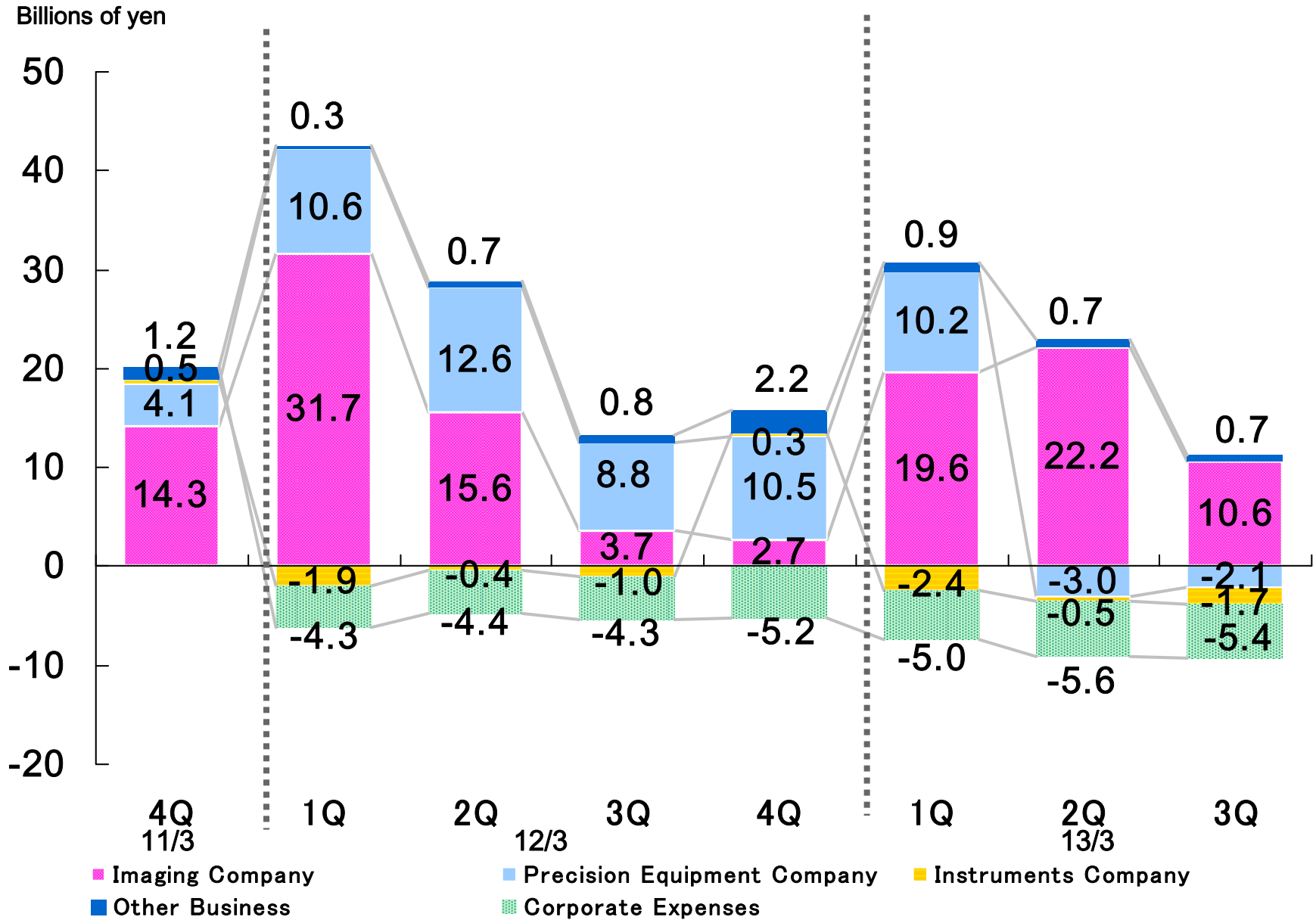
Quarterly Net Sales by Segments



■ Imaging Company ■ Precision Equipment Company ■ Instruments Company ■ Other Business

* Amounts in this statement are rounded down to the hundred million: the sum of breakdown values may not match the total.

Quarterly Operating Income by Segments



* Amounts in this statement are rounded down to the hundred million: the sum of breakdown values may not match the total.



NIKON CORPORATION