

NIKON CORPORATION

Summary of Conference in Tokyo For the Financial Results for First Half of Year Ending March 31, 2006

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.

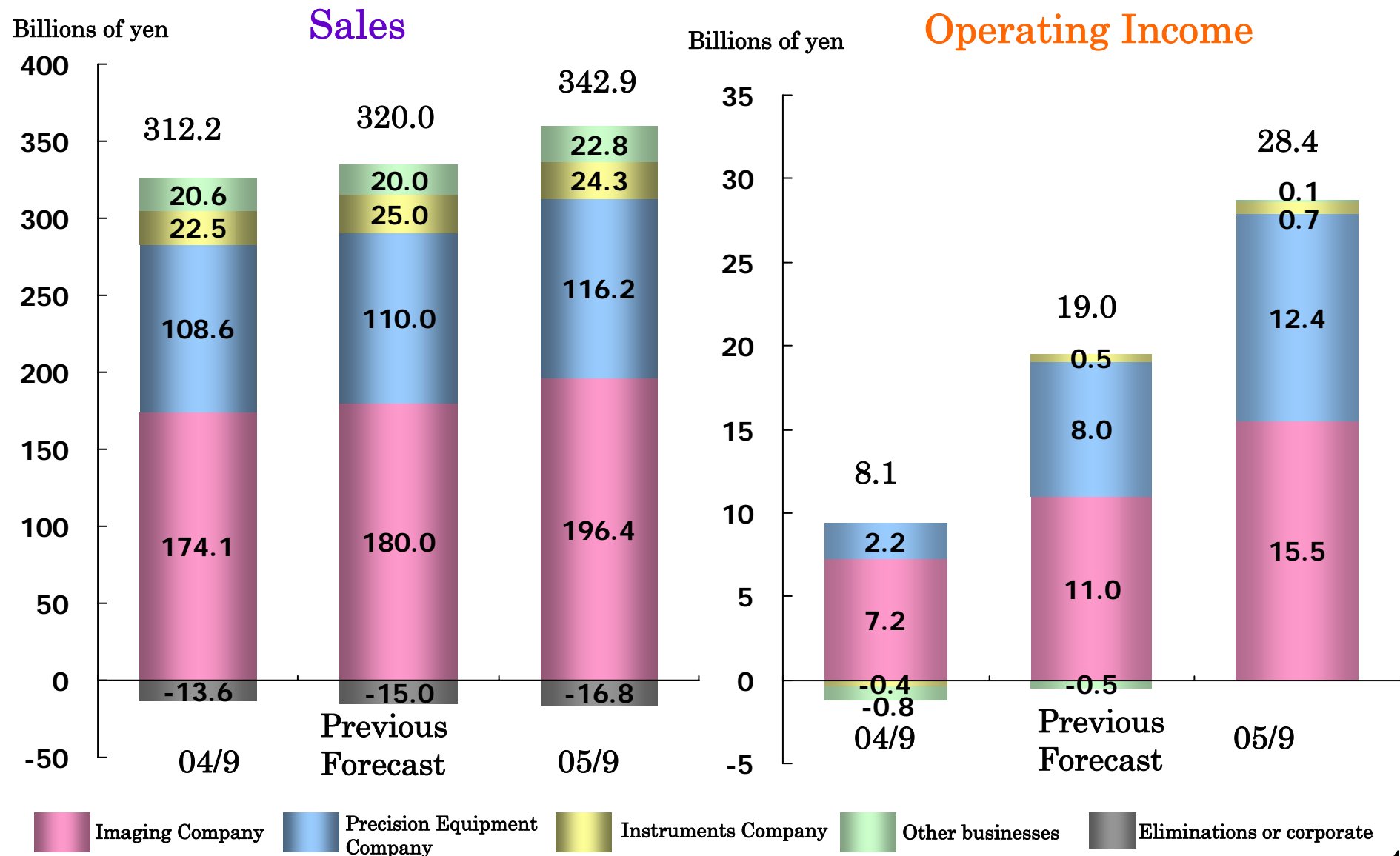
Agenda

1. **Financial Results for First half of the Year
Ending March 31, 2006**
2. Reference Data for the Year Ending
March 31, 2006
3. Forecasts for the Year Ending
March 31, 2006
4. Forecasts for the Year Ending March 31, 2007

Financial Highlights for First Half of the Year Ending March 31, 2006

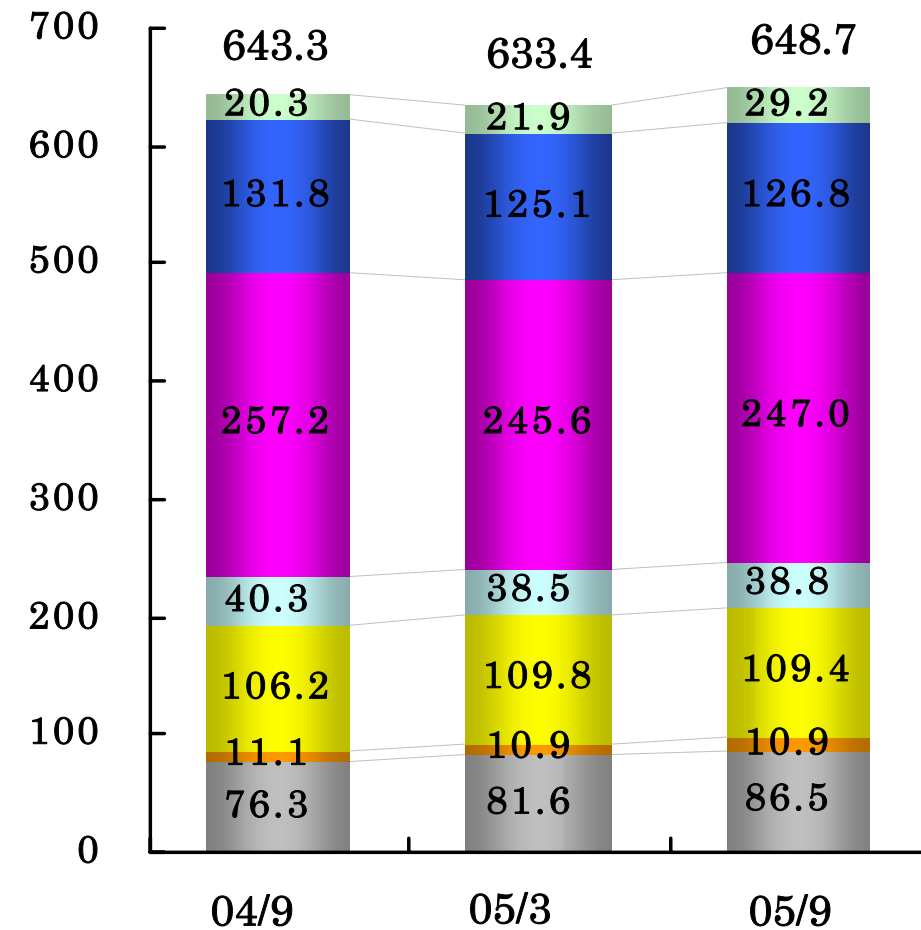
Billions of Yen	04/9(A)	Previous Forecast(B)	05/9		
			Results(C)	Change (C-A)	Change (C-B)
Net Sales (% vs Net Sales)	312.2 100%	320.0 100%	342.9 100%	+30.7	+22.9
Operating Income (% vs Net Sales)	8.1 2.6%	19.0 5.9%	28.4 8.3%	+20.3	+9.4
Ordinary Income (% vs Net Sales)	4.7 1.5%	14.0 4.4%	20.1 5.9%	+15.4	+6.1
Net Income (% vs Net Sales)	7.8 2.5%	7.0 2.2%	9.4 2.7%	+1.6	+2.4

Sales and Operating Income by Segment



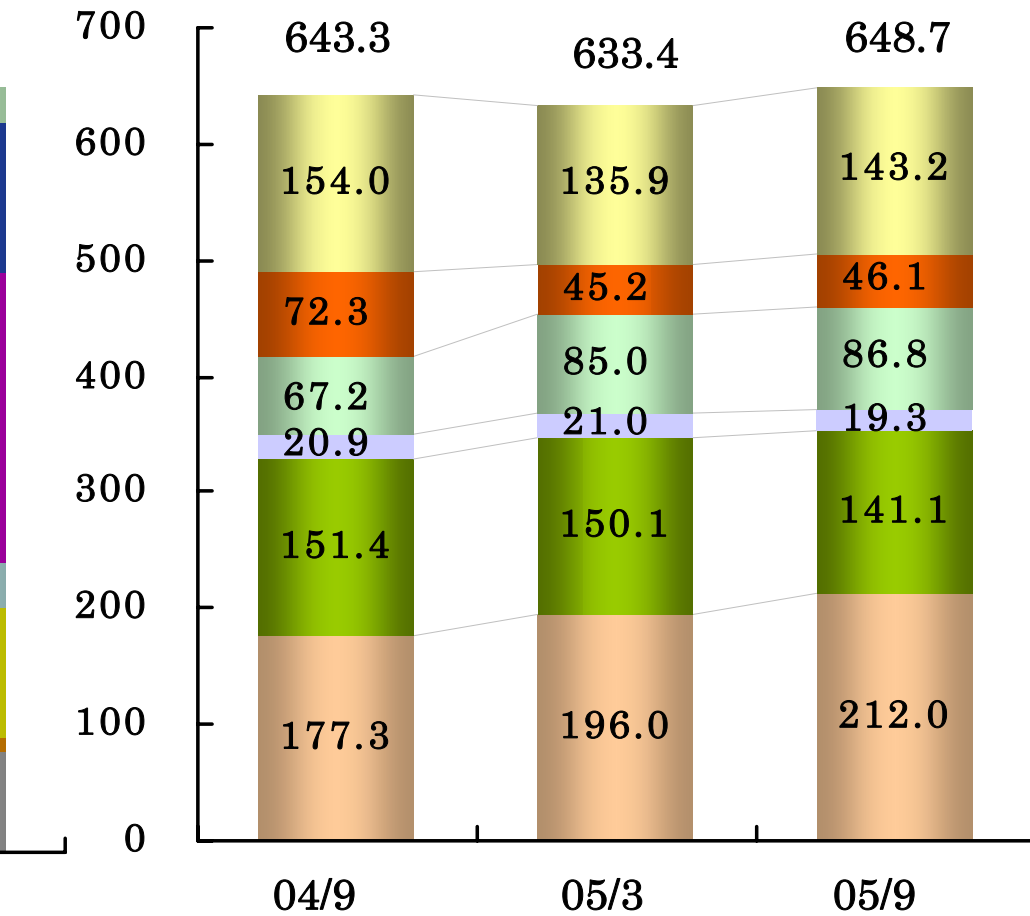
ASSETS

Billions of yen



LIABILITIES AND SHAREHOLDERS' EQUITY

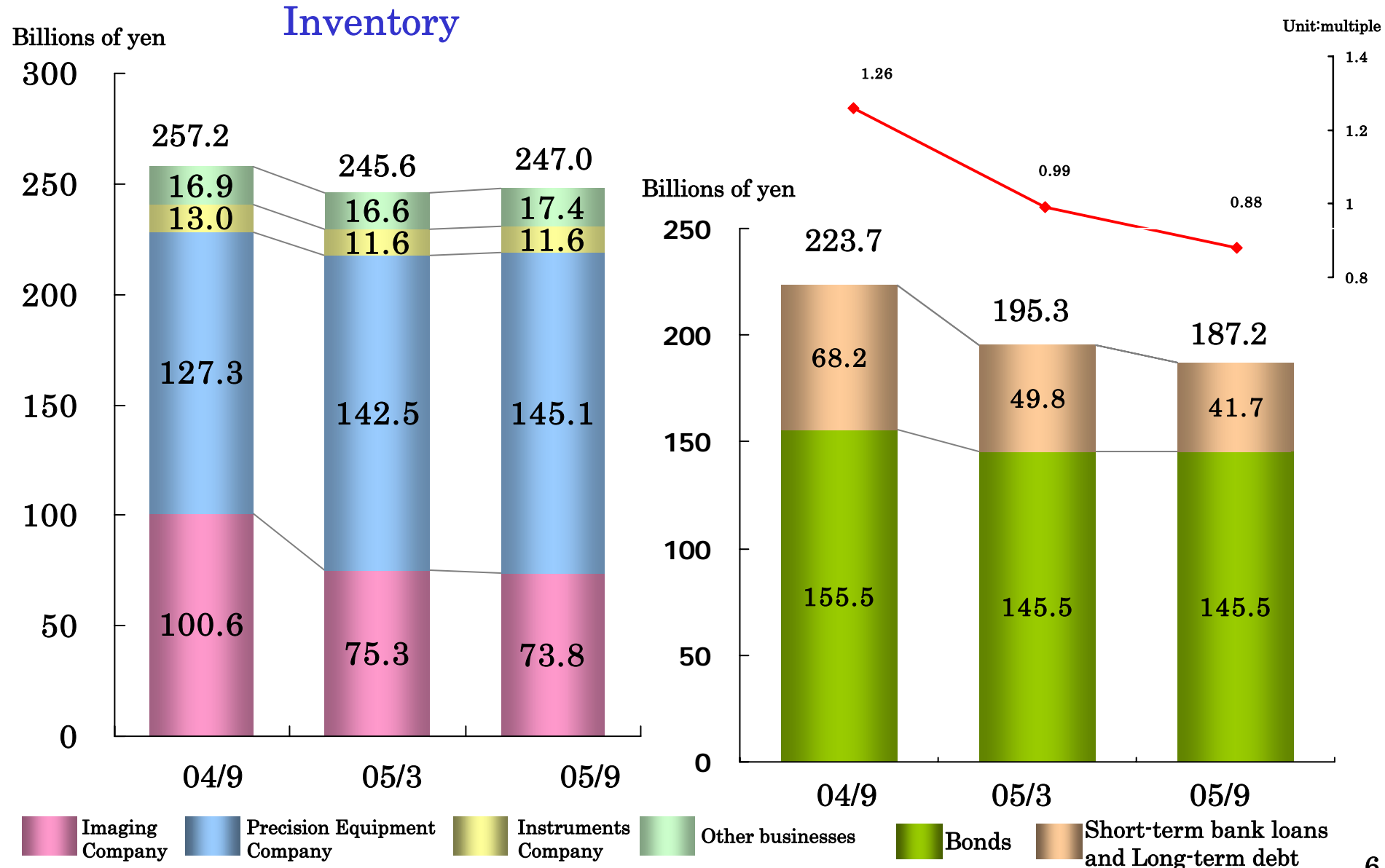
Billions of yen



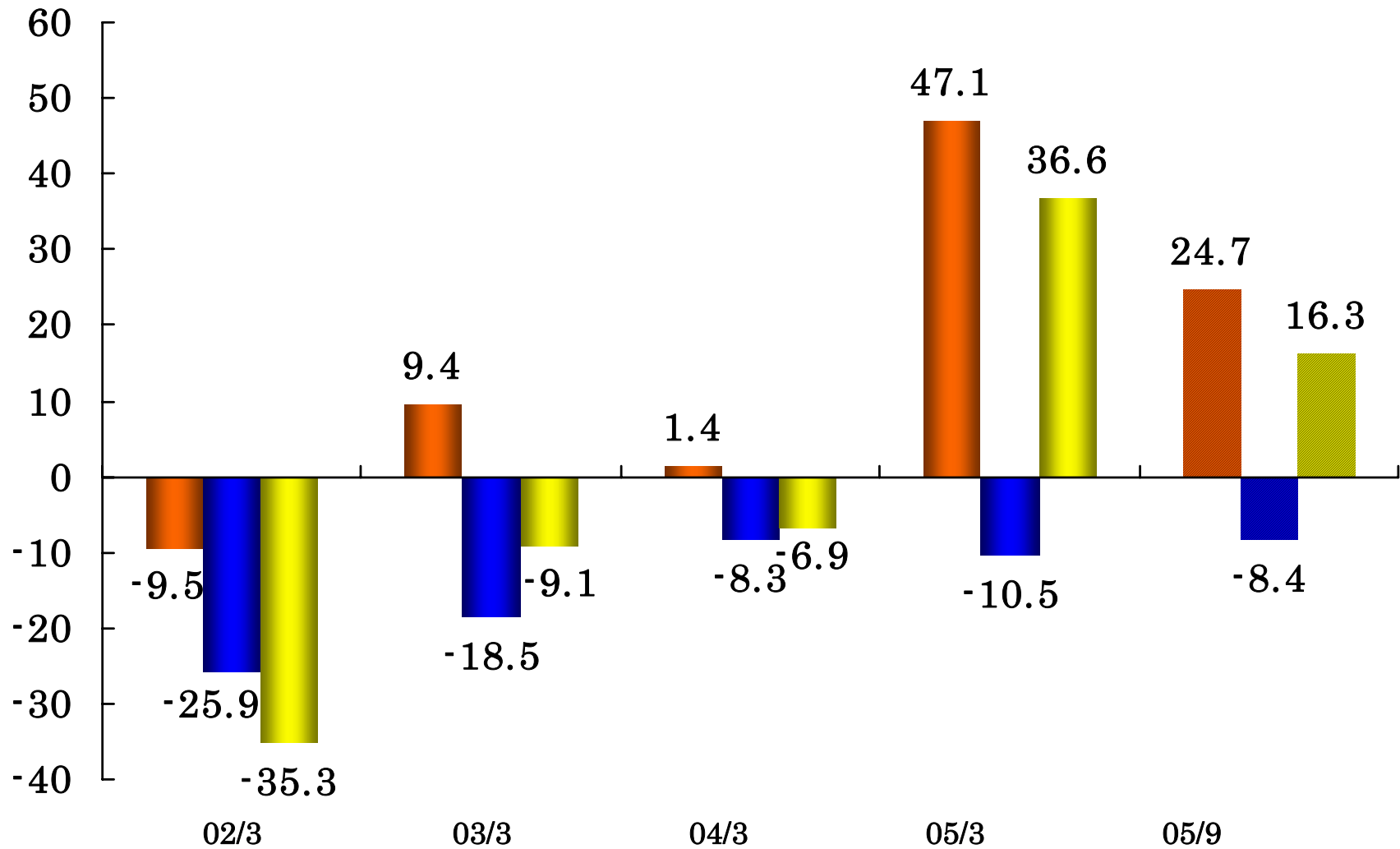
■ Cash and time deposits ■ Notes and account receivable-trade
■ Inventories ■ Other current assets ■ Fixed assets
■ Intangible fixed asset ■ Investments and other assets

■ Note and accounts payable-trade ■ Short-term bank loans and current portion of bond
■ Other current liabilities ■ Other long-term liabilities
■ Bonds and long-term debt ■ Shareholders' equity

Interest-bearing debt and D/E Ratio



Billions of yen



■ Operating activities
 ■ Investing activities
 ■ Free Cash flow

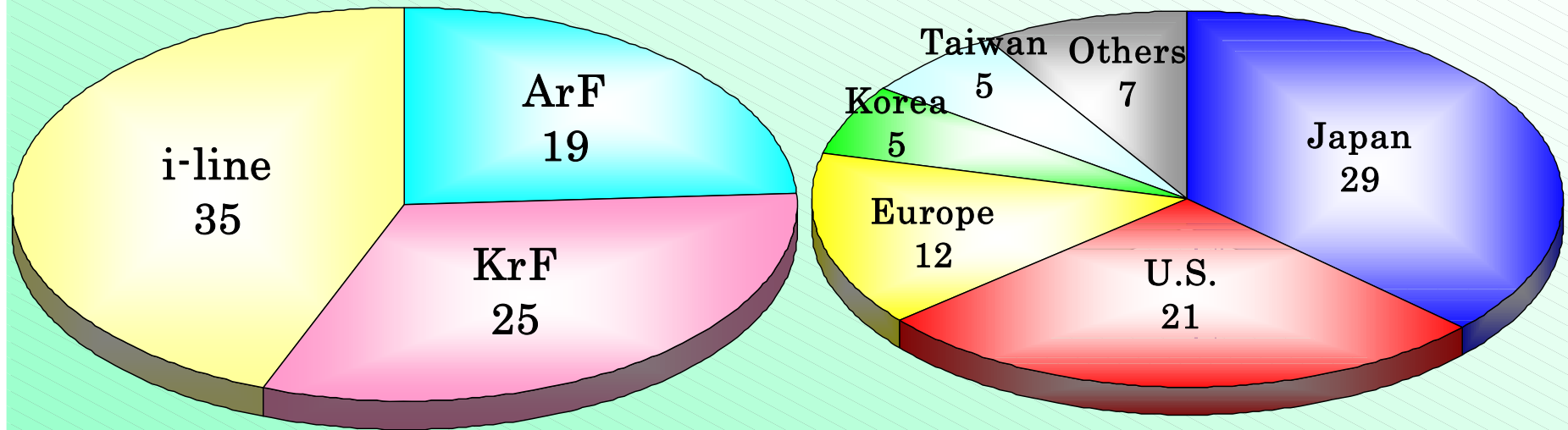


	04/9	Previous Forecast	05/9 Results
Net Sales (Billions of yen)	108.6	110.0	116.2
Operating Income (Billions of yen)	2.2	8.0	12.4
New IC Steppers (Refurbished)	109(34)	85(20)	79(12)
LCD Steppers	40	35	37
Steppers TOTAL	183	140	128

Steppers(units sold)

Sales Volumes by Technology/Region (Units, New Systems Only)

79 units

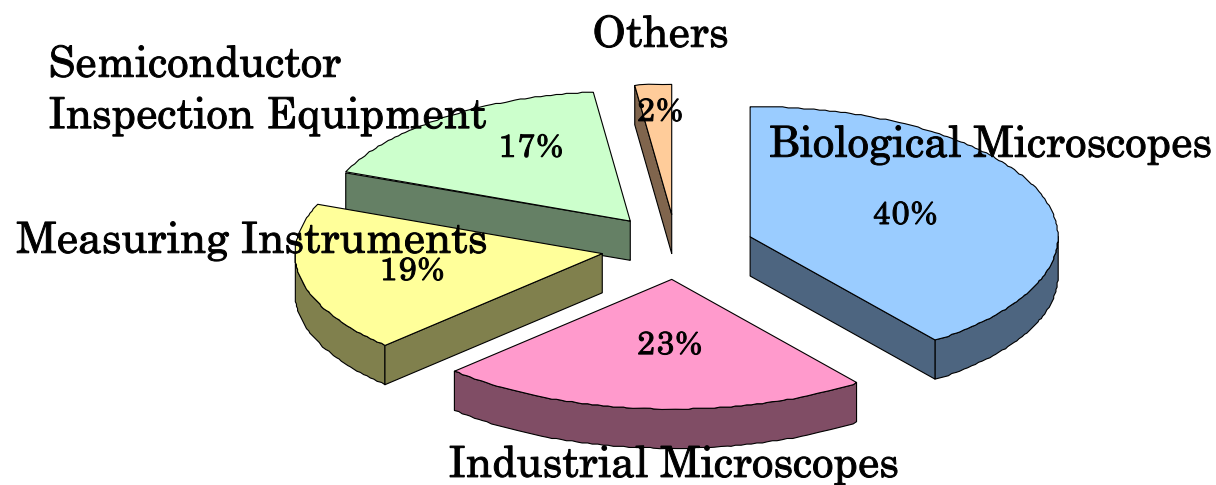




	04/9	Previous Forecast	05/9 Results
Net Sales (Billions of yen)	174.1	180.0	196.4
Operating Income (Billions of yen)	7.2	11.0	15.5
Single-Lens Reflex DSC	500	800	790
Compact DSC	3,000	3,100	3,410
DSC Total	3,500	3,900	4,200
Interchangeable Lenses	740	1,150	1,180

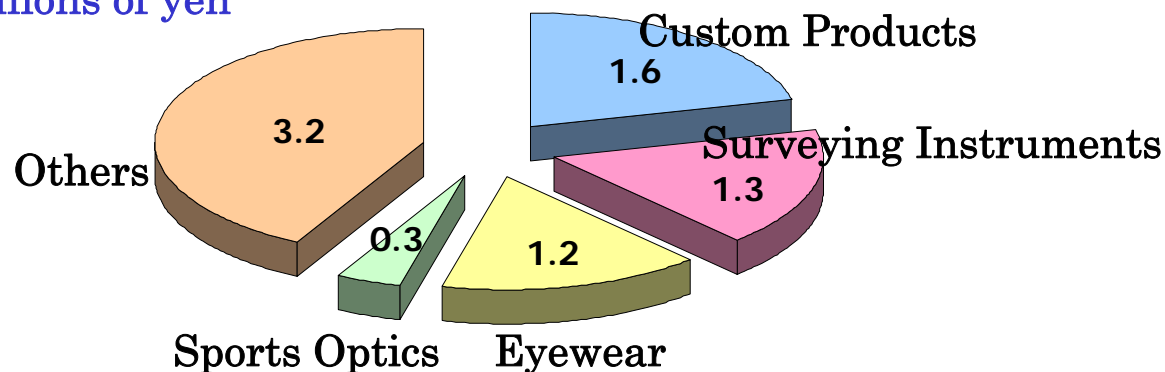
Cameras & Lenses
Units:1,000 pcs. (shipment basis)

	04/9	Previous Forecast	05/9 Results
Net Sales (Billions of yen)	22.5	25.0	24.3
Operating Income (Billions of yen)	-0.4	0.5	0.7



	04/9	Previous Forecast	05/9 Results
Net Sales (Billions of yen)	20.6	20.0	22.8
Operating Income (Billions of yen)	-0.8	-0.5	0.1

Billions of yen



Remarks: Above chart shows a breakdown of 7.6 billion yen sales amount to outside customers.

Income, profits mark highest-ever mid-term increase

Net sales, operating income, ordinary income and net income increased to their highest-ever mid-term results.

In the imaging business, Nikon sold more high-end D-SLRs, such as the D2x and D70s, than expected. Stylish C-DSCs with Nikon's innovative Face-priority AF are also moving well.

In the stepper business, cost reductions resulting from simplified design began to take effect as sales of LCD steppers increased. A weakening of the yen also contributed, boosting results above previous forecast.

Shareholders' equity climbed above 200 billion yen, with the equity ratio improving to 32.7%.

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	Exchange Rate		Financial Impact*	
	05/9 Forecast	05/9 Results	Sales	Operating Income
US Dollar	105 yen	113.19 yen	+4.6 Billions of yen	+1.3 Billions of yen
Euro	130 yen	136.13 yen	+1.8 Billions of yen	+0.9 Billions of yen
Total			+6.4 Billions of yen	+2.2 Billions of yen

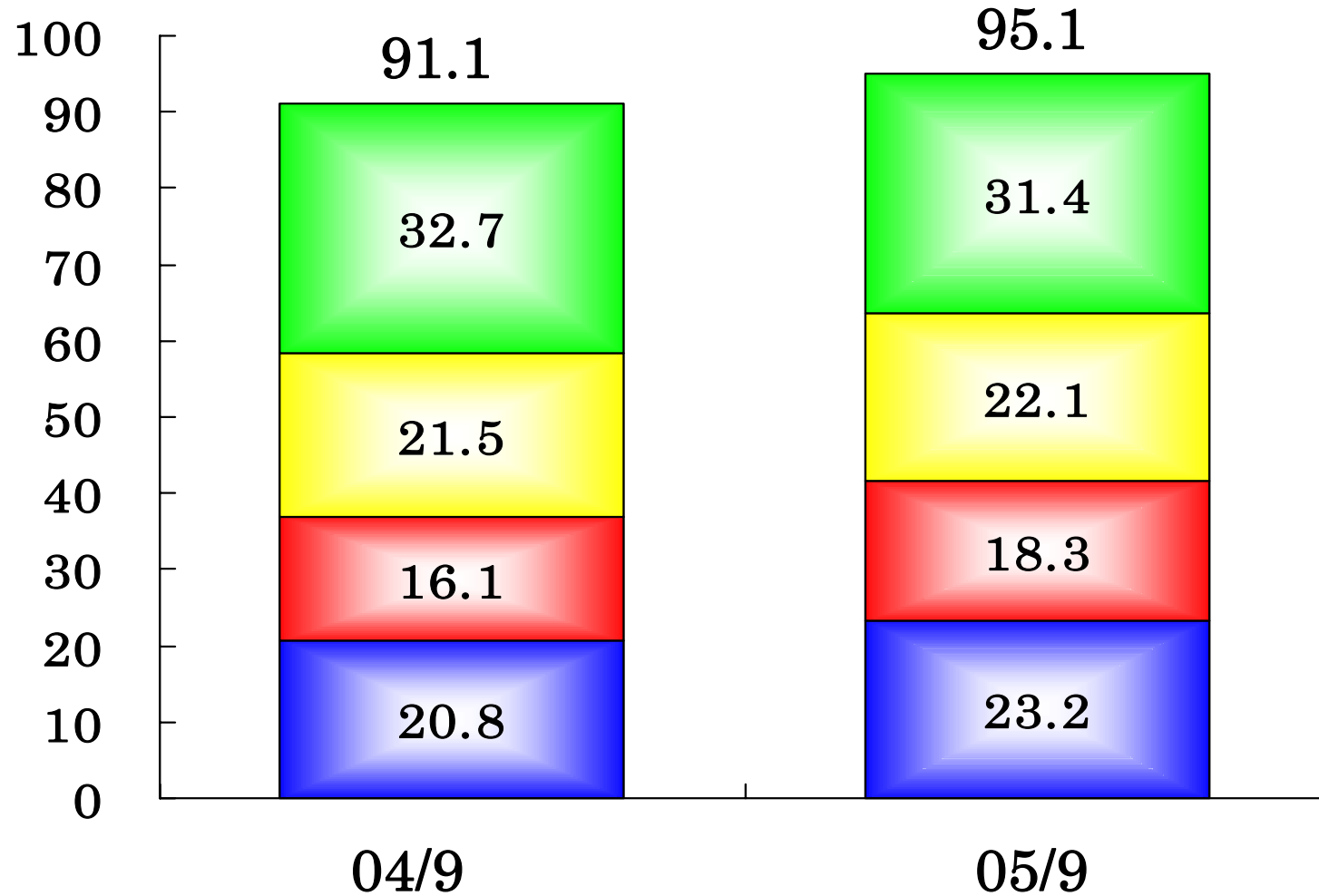
*Change from foreign currency exchange rate

Capital Expenditures, R&D Expenditures, Depreciation and Amortization

	Capital Expenditures		Depreciation and Amortization		R&D Expenditures	
	04/9	05/9	04/9	05/9	04/9	05/9
Billions of Yen						
Total	8.8	11.3	9.3	9.6	16.1	18.3
Precision Equipment	3.5	5.1	4.2	4.0	4.6	5.6
Imaging	4.2	4.7	2.7	3.2	6.9	8.0
Instruments	0.2	0.4	0.5	0.5	1.4	1.4
Other	0.8	1.1	1.9	1.9	3.2	3.2

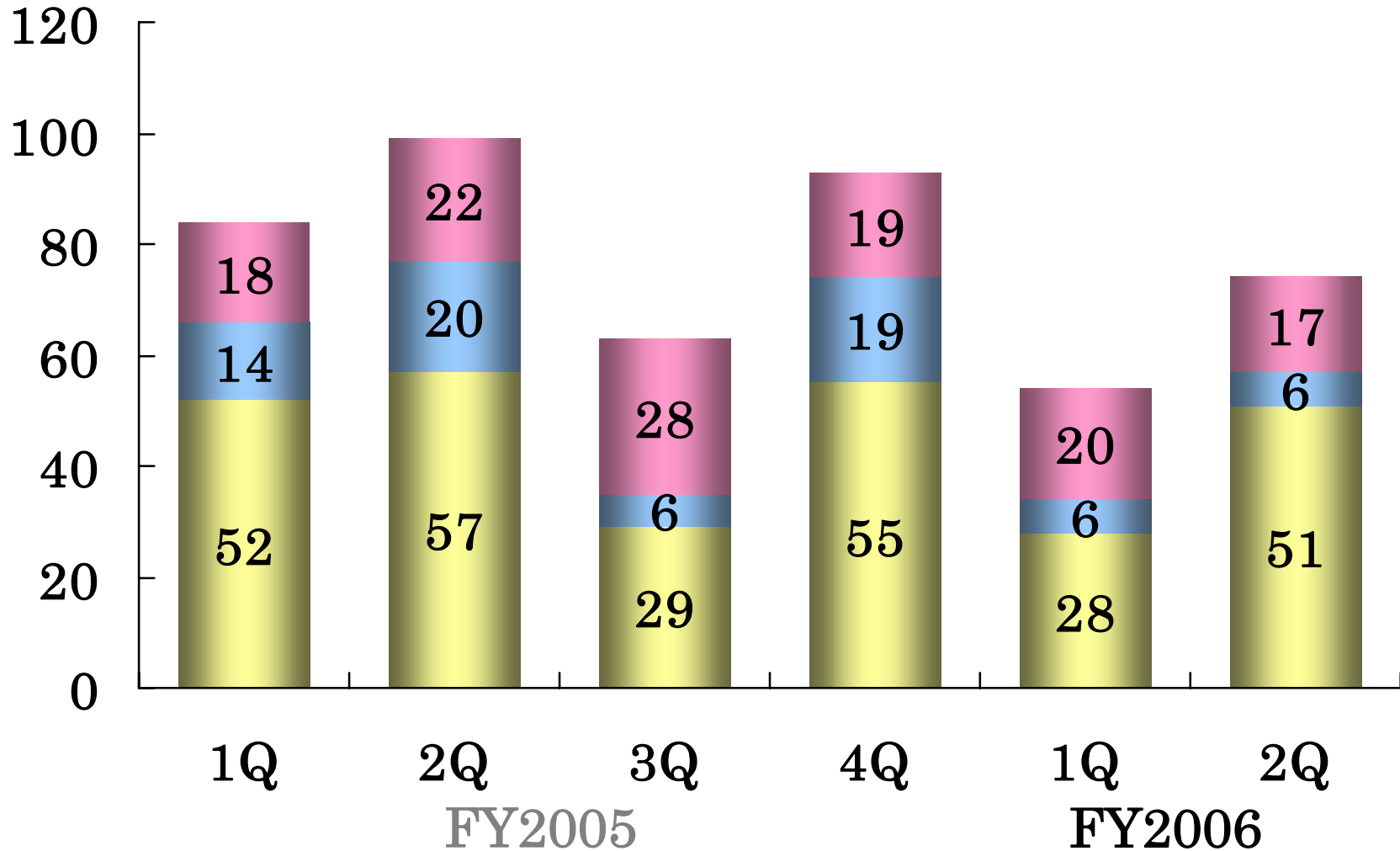
Selling, general and administrative expenses

Billions of yen



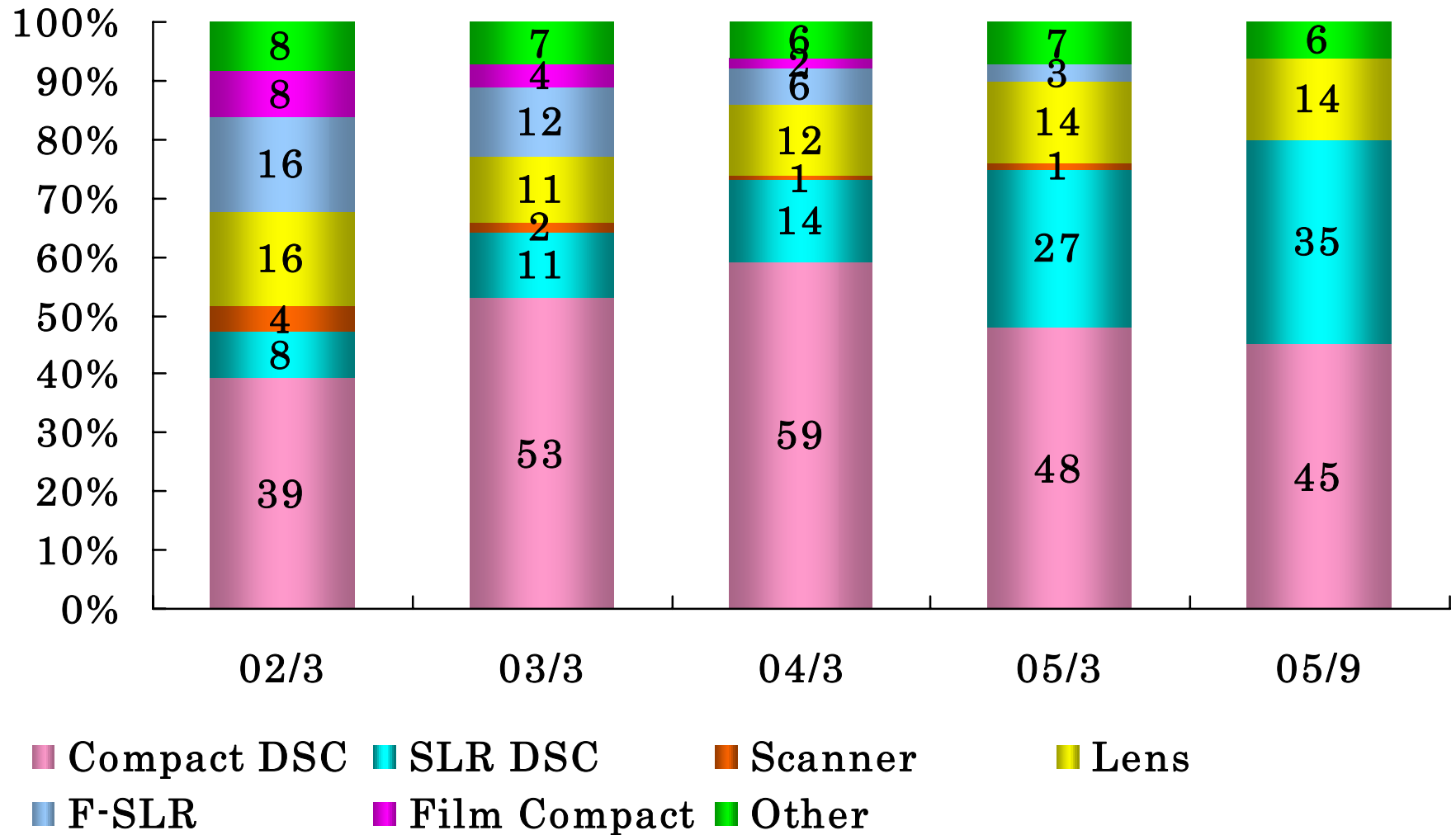
 Labor expense  R&D  Advertisement  Others
(Include selling expenses)

Steppers(units sold)



 New IC Steppers  Refurbished IC Steppers  LCD Steppers

Imaging Products Sales



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Performance Forecast for the Year ending March 31, 2006

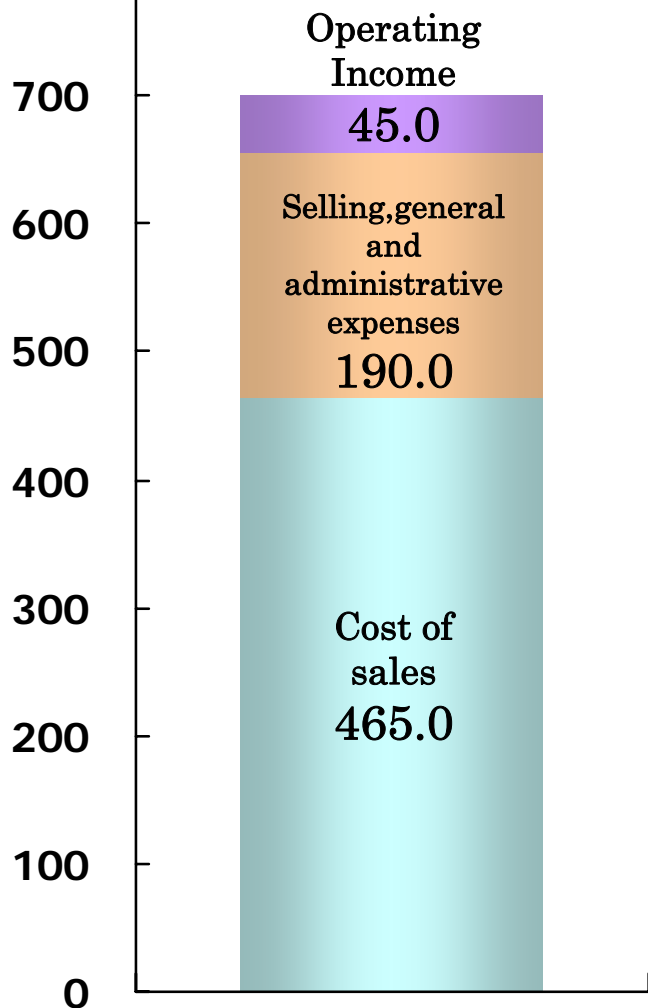
Billions of Yen	05/3(A)	Previous Forecast(B)	06/3 forecast(C)	Change (C-A)	Change (C-B)
Net Sales (% vs Net Sales)	638.5 100%	680.0 100%	700.0 100%	+61.5	+20.0
Operating Income (% vs Net Sales)	30.5 4.8%	36.0 5.3%	45.0 6.4%	+14.5	+9.0
Ordinary Income (% vs Net Sales)	14.7 2.3%	23.0 3.4%	29.0 4.1%	+14.3	+6.0
Net Income (% vs Net Sales)	24.1 3.8%	13.0 1.9%	15.0 2.1%	-9.1	+2.0

	Exchange Rate	Impact per 1 yen change	
	06/3 Forecast	Net Sales Total	Operating Income(2nd Half)
US Dollar	105 yen	Approx. 1.9 billions of yen	Approx. 0.3 billions of yen
Euro	130 yen	Approx.1.0 billions of yen	Approx0.2 billions of yen

Earning Forecast for the Year ending March 31, 2006

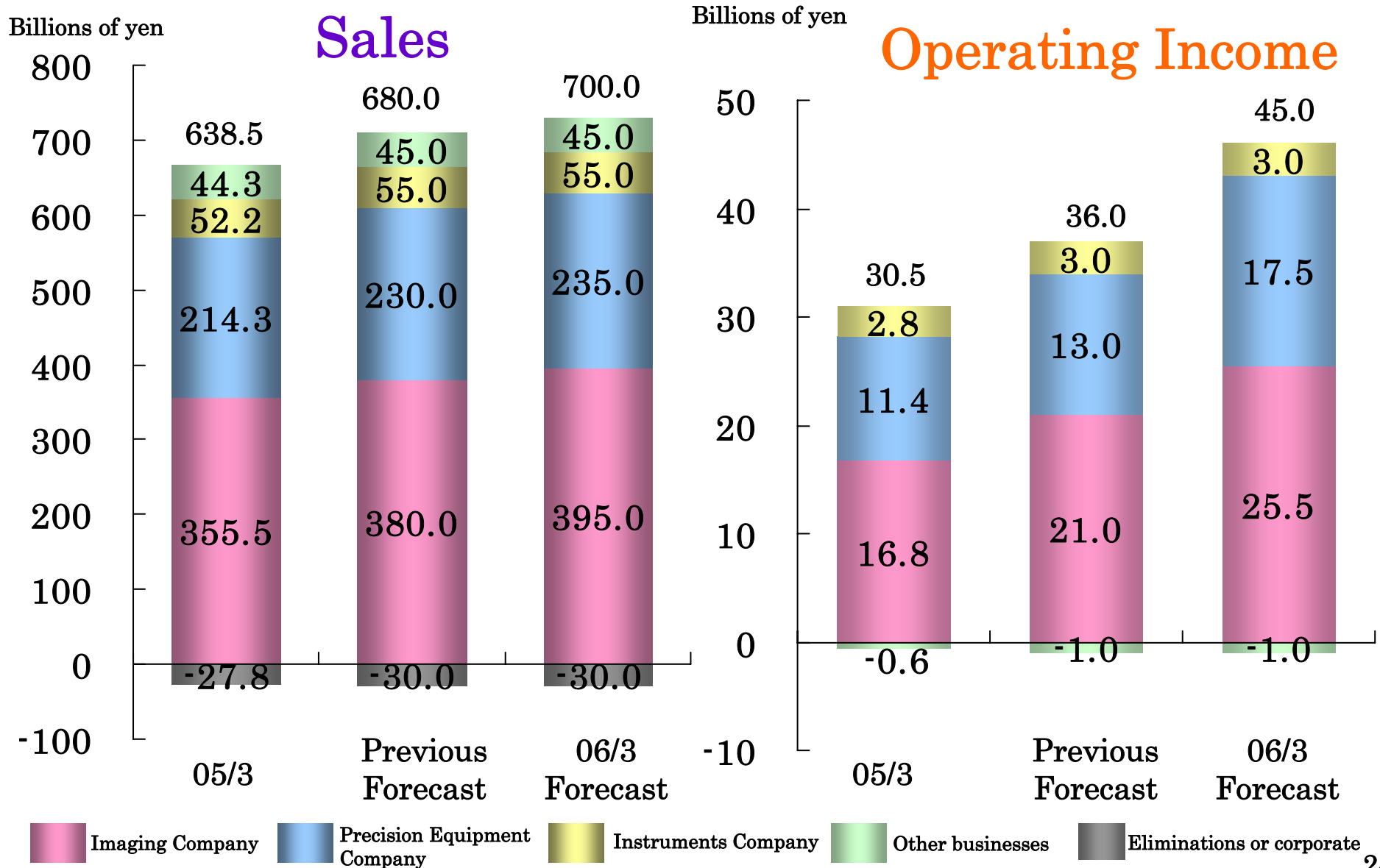
Billions of yen
800
700
600
500
400
300
200
100
0

Net Sales:700
342.9 in the 1st half, and
357.1 in the 2nd half of the FY2006



		05/3		06/3	
		1st half	2nd half	1st half	2nd half
Operating Income	1st half	30.5	8.1	45.0	28.4
	2nd half		22.4		16.6
Non-operating income		4.8		4.0	
Non-operating expenses		20.6		20.0	
Ordinary Income	1st half	14.7	4.7	29.0	20.1
	2nd half		10.0		8.9
Special gain and loss		18.8		-4.0	
Income taxes		9.3		10.0	
Net Income	1st half	24.1	7.8	15.0	9.4
	2nd half		16.3		5.6

Sales and Operating Income Forecast by Segment for the Year ending March 31, 2006



Capital expenditures, Depreciation, R&D, Interest-bearing debt

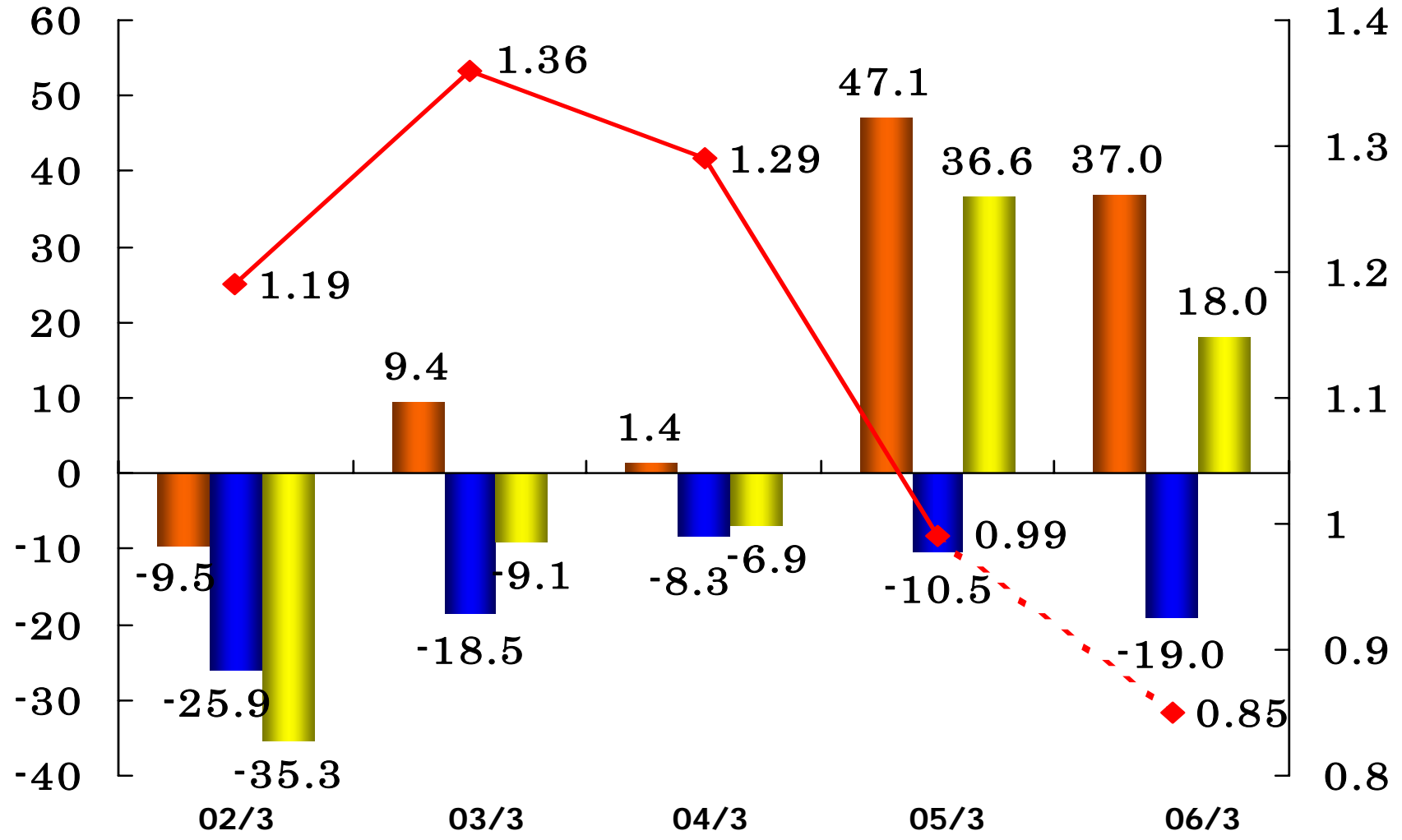
Billions of yen	04/3	05/3	06/3
Capital expenditures	22.3	22.5	25.0
Depreciation	20.2	19.7	20.0
R&D	30.2	33.6	38.0
Interest-bearing debt	220.5	195.3	185.0

Cash Flow and D/E Ratio Forecast for the Year ending March 31, 2006

-Pursuit of consolidated management with a focus on cash flow-

Billions of yen

Unit:multiple



■ Operating activities
 ■ Investing activities
 ■ Free Cash flow
 ◆ D/E Ratio

Forecast for Precision Equipment Company

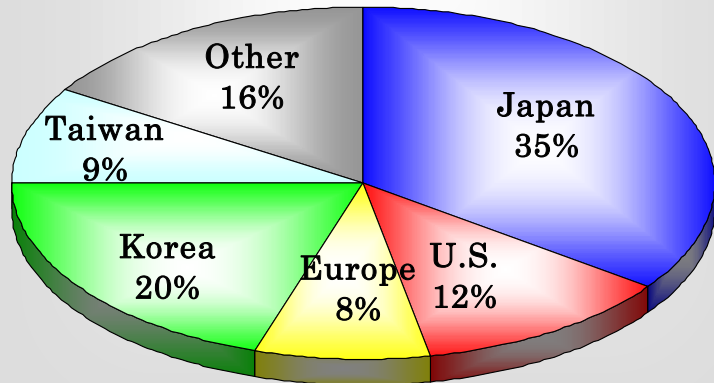
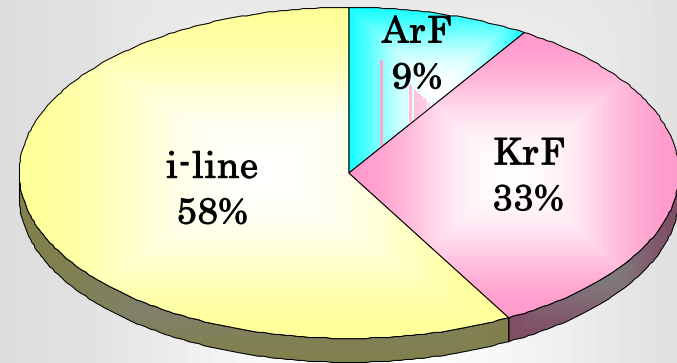


		05/3 Results	1st Half	06/3 Forecast	1st Half
			2nd Half		2nd Half
Net Sales (Billions of yen)		214.3	108.6	235.0	116.2
			105.7		118.8
Operating Income (Billions of yen)		11.4	2.2	17.5	12.4
			9.2		5.1
New IC Steppers (Refurbished)		193(59)	109(34)	170(40)	79(12)
			84(25)		91(28)
LCD Steppers		87	40	65	37
			47		28
Steppers TOTAL		339	183	275	128
			156		147
Market Scale CY04/05	New IC Steppers	558		450	
	LCD Steppers	174		On a par with 2004	

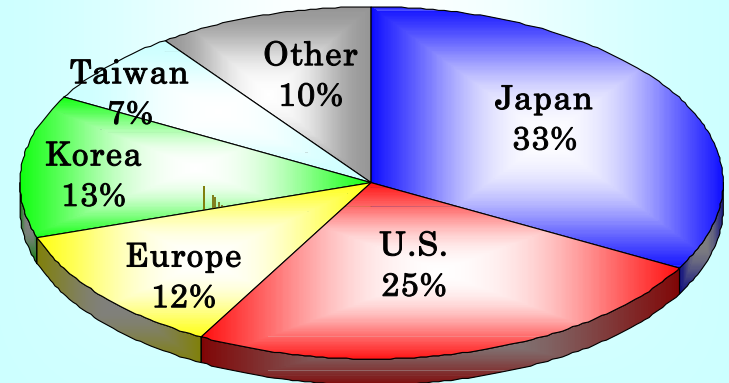
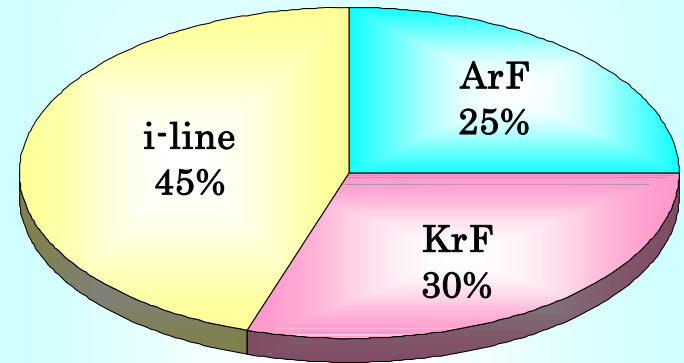
Steppers(units sold)

Sales Volumes by Technology/Region (Units, New Systems Only)

2005/3
193units

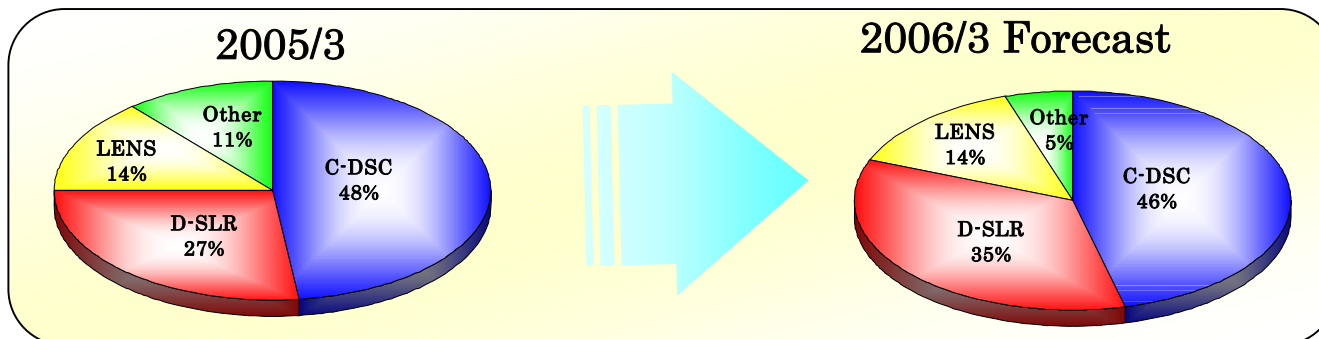


2006/3 Forecast
170units



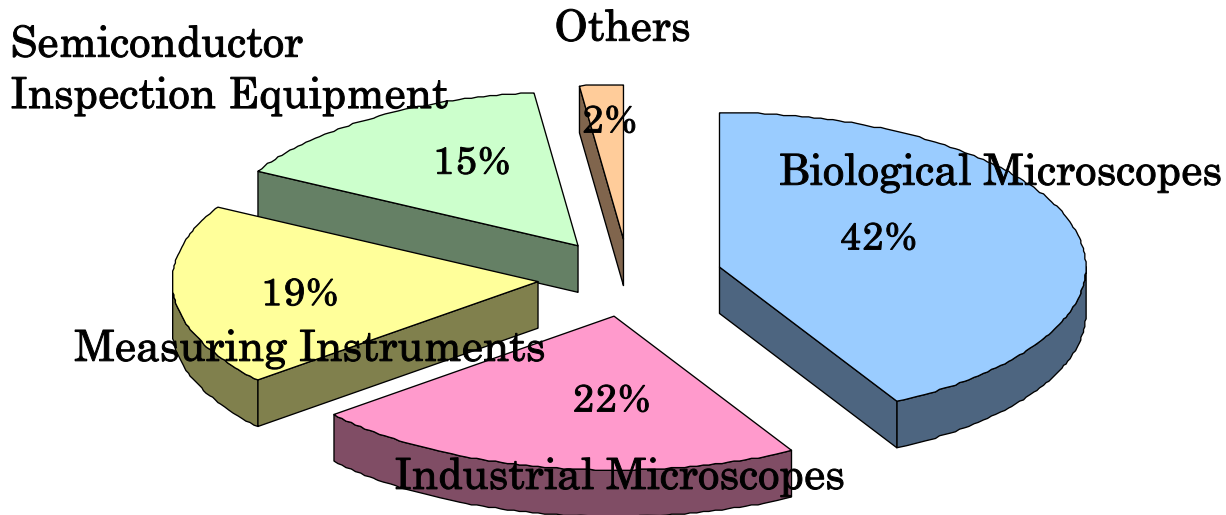
Forecast for Imaging Company

Cameras & Lenses Units:1,000 pcs. (shipment basis)		05/3 Results	1st Half		06/3 Forecast	1st Half	
			2nd Half			2nd Half	
Net Sales (Billions of yen)		355.5	174.1	181.4	395.0	196.4	198.6
Operating Income (Billions of yen)			16.8			7.2	
Digital Single-Lens Reflex		1,050	500	550	1,600	790	810
Compact DSC			5,560			3,000	
DSC Total		6,610	3,500	3,110	8,000	4,200	3,800
Interchangeable Lenses			1,500			740	
Market Scale FY	D-SLR	2,760		4,000			
	C-DSC	57,520		63,000			



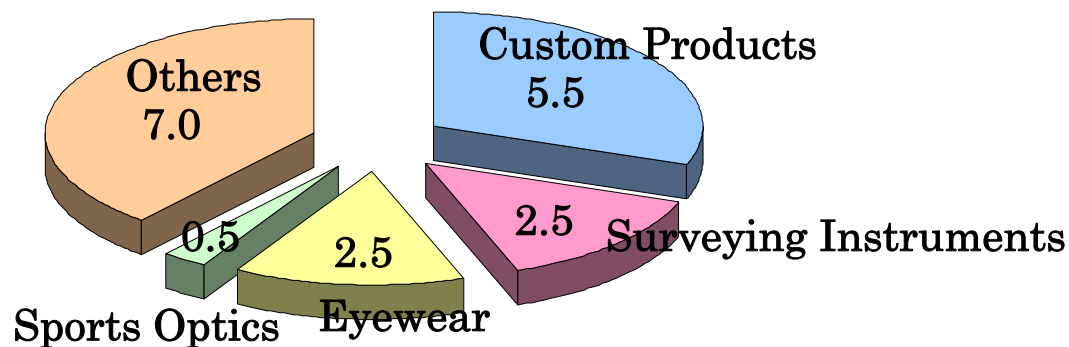
Forecast for Instruments Company

	05/3 Results	1st Half	06/3 Forecast	1st Half
		2nd Half		2nd Half
Net Sales (Billions of yen)	52.2	22.5	55.0	24.3
		29.7		30.7
Operating Income (Billions of yen)	2.8	-0.4	3.0	0.7
		3.2		2.3



	05/3 Result	1st Half	06/3 Forecast	1st Half
		2nd Half		2nd Half
Net Sales (Billions of yen)	44.3	20.6	45.0	22.8
		23.7		22.2
Operating Income (Billions of yen)	-0.6	-0.8	-1.0	0.1
		0.2		-1.1

Billions of yen



Remarks: Above chart shows a breakdown of 18.0 billion yen sales amount to outside customers.

Summary of Forecast for the Year ending March 31, 2006

A year for strong gains in operating and ordinary incomes and the launch of promising new products

Sales are expected to again post a record high on a shift in demand towards high-performance machines benefiting Precision sales, and continued strong demand for digital DSCs benefiting Imaging sales. This combined with cost reductions is anticipated to push operating income up 50% and ordinary income up 100% compared to the last year.

Stepper Business: At the final aperture for dry ArF (NA0.85-0.92), we now expect higher sales than we initially anticipated, and we expect to further strengthen our market position with the shipment of the world's first immersion model with an NA over 1.0. Meanwhile, for LCD steppers, we will begin shipping 7G and 8G equipment capable of handling the largest plate sizes in the world, and increase our advantage in multi-lens systems.

Imaging Business: Sales are strong following the launch of the first compact DSCs with our Face Priority AF and Wi-Fi capabilities. Meanwhile, we plan to launch our D200 digital SLR in December, targeting high-end amateurs and professionals, and advance reviews have been extremely positive.

Instruments Business: In biology applications, the company will launch Spectral Imaging Confocal Laser Scanning Microscope C1si, in a push to sharpen Nikon's edge in live-cell observation.

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Forecast for the Year ending March 31, 2007

Precision Equipment Company

	New IC Stepper	LCD Stepper	(CY)
Market Scale	On a par with 2005	On a par with 2005	
units sold	On a par with 2006-3	On a par with 2006-3	
Net Sales	Increased		
Operating Income	Increased		

Imaging Company

	Compact DSC	Single-Lens Reflex DSC
Market Scale <small>Units:1,000 pcs. (shipment basis)</small>	66,000-69,000	5,000-5,500
Shipment Units	Approx. 10% up from 2006-3	Approx. 20% up from 2006-3
Net Sales	Increased	
Operating Income	Increased	

Instruments Company

Net Sales	Increased
Operating Income	Increased