



Financial Results for the First Half of the Year Ending March 31, 2008

Conference in Tokyo (Nov. 8, 2007)

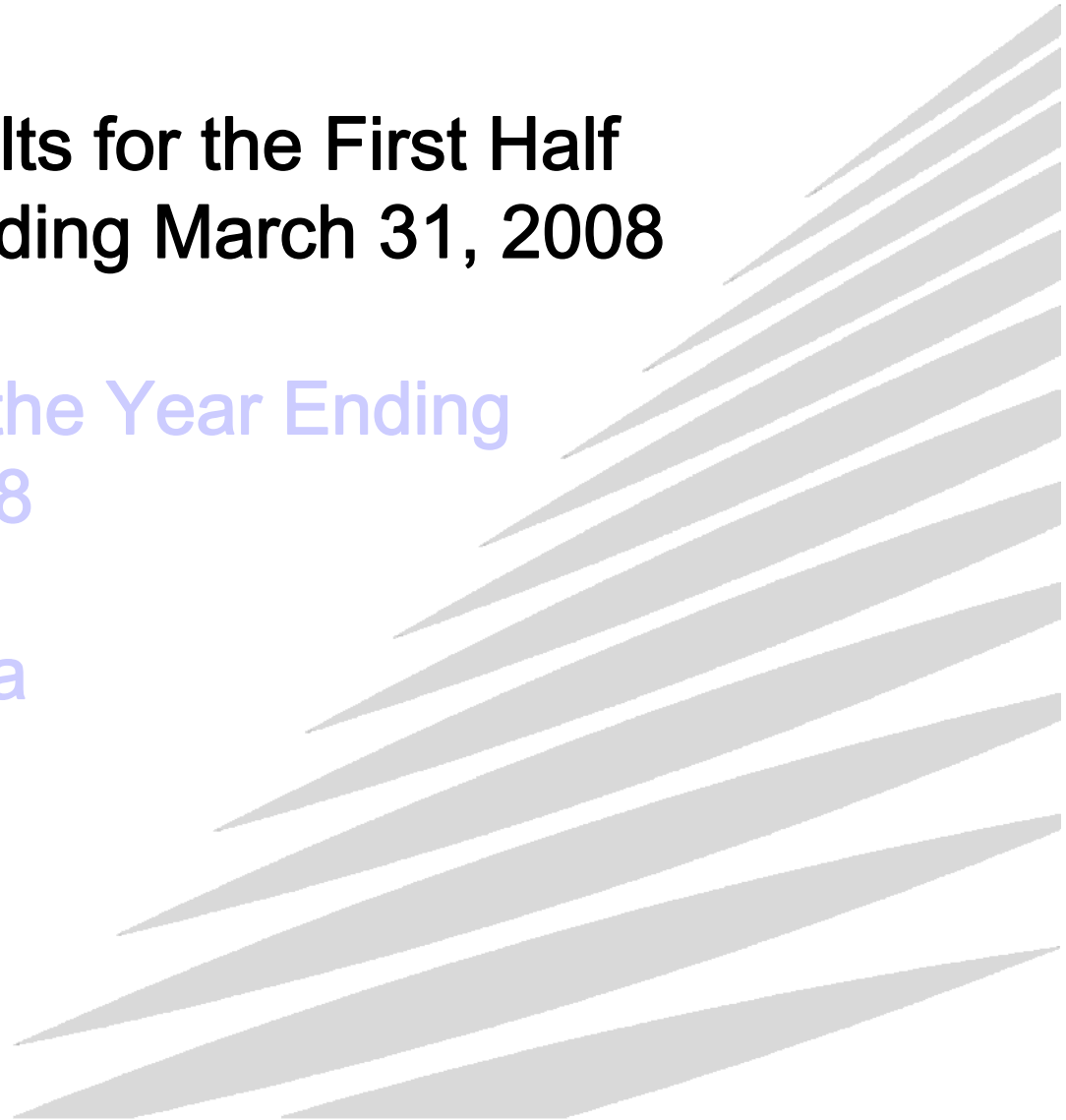
NIKON CORPORATION

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 First Half
of the Year Ending March 31, 2008**
- II . Estimation for the Year Ending
March 31, 2008
- III . Reference Data





Financial Highlights for the First Half of the Year Ending March 31, 2008

	06/9 (A)	Previous Forecast as of July 31, 2007 (B)	07/9 Result (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	377.3	435.0	445.8	+10.8	+68.5
Operating Income (Billions of yen) % vs Net Sales	44.0 11.7%	57.0 13.1%	63.3 14.2%	+6.3	+19.3
Ordinary Income (Billions of yen) % vs Net Sales	37.1 9.8%	50.0 11.5%	58.9 13.2%	+8.9	+21.8
Net Income (Billions of yen) % vs Net Sales	23.2 6.1%	31.0 7.1%	34.4 7.7%	+3.4	+11.2
Exchange : US\$	118	115	119	+4 yen	+1 yen
Rate EURO	150	155	162	+7 yen	+12 yen

Achieved record high Net Sales, Operating Income, Ordinary Income and Net Income with substantial increase in revenue and income over the previous mid-term results.



Precision Equipment Company

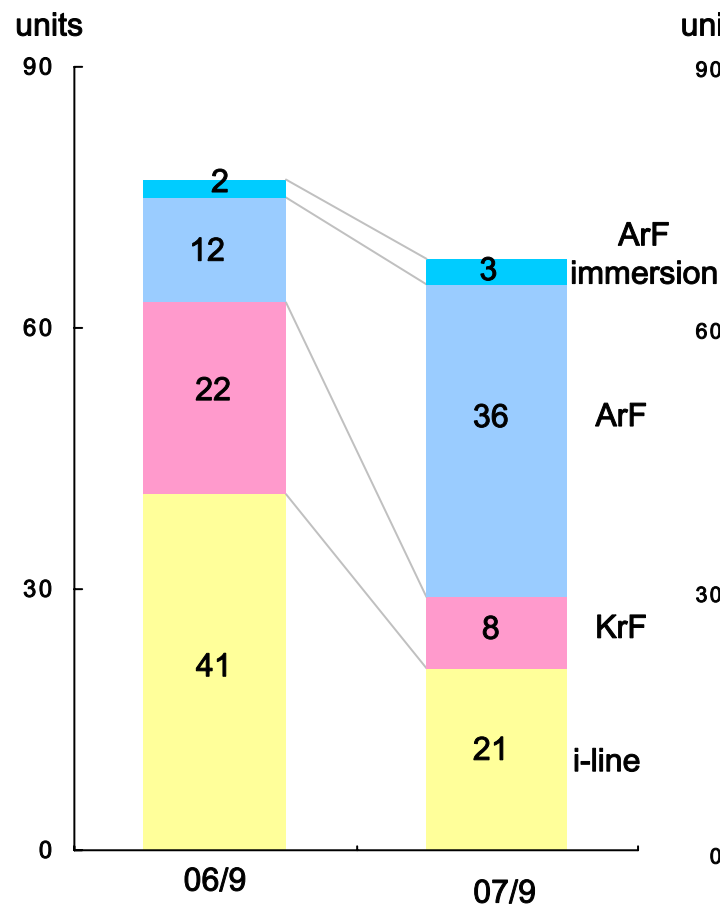
	06/9 (A)	Previous Forecast as of July 31,2007 (B)	07/9 Result (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	135.9	140.0	140.7	+0.7	+4.8
Operating Income (Billions of yen) % vs Net Sales	23.3 17.1%	20.0 14.3%	21.3 15.1%	+1.3	-2.0
IC Steppers & Scanners New / Refurbished (units sold)	77/8	75/10	68/10	-7/0	-9/+2
IC Steppers & Scanners (units sold) ArF (Dry & Immersion)	14	-	39	-	+25
LCD Steppers & Scanners (units sold)	46	23	24	+1	-22

Minimized decline of operating income over the previous mid-term results through increase of ArF scanner sales units despite reduction by half of LCD stepper & scanner sales units due to substantial LCD capital expenditure cut-down.

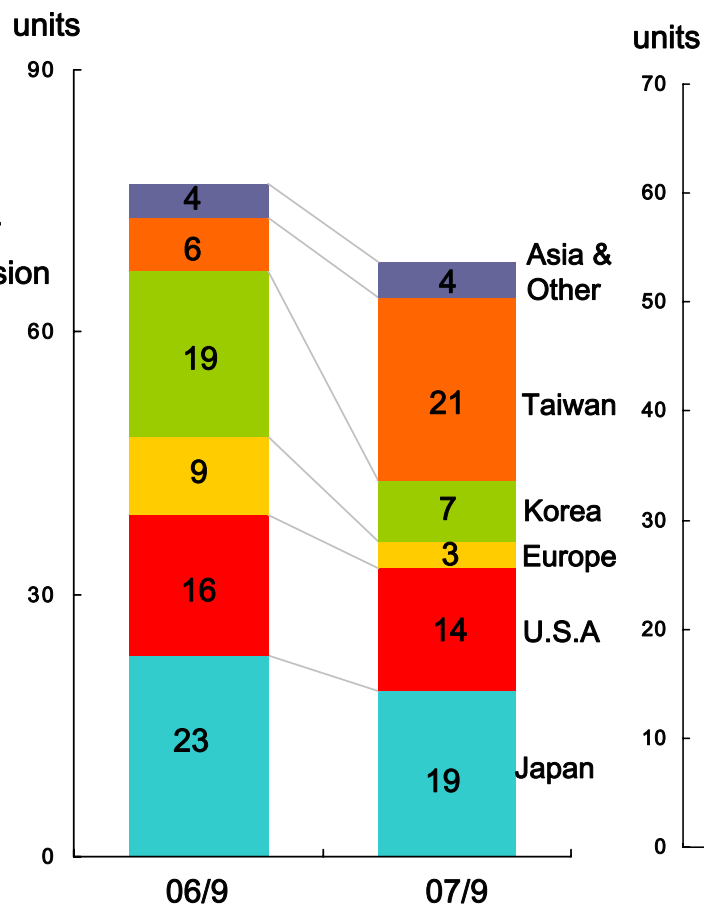


Precision Equipment Company

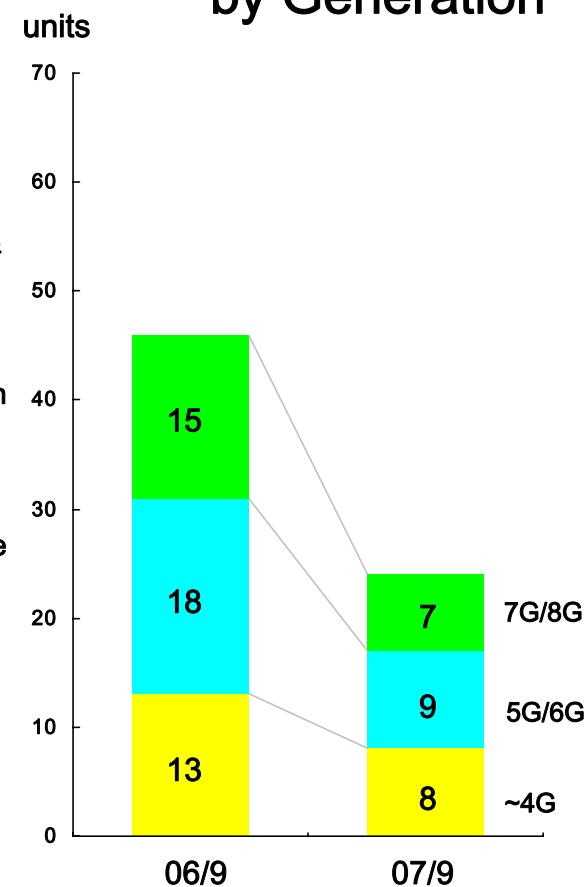
IC Steppers & Scanners Sales by Technology



IC Steppers & Scanners Sales by Region



LCD Steppers & Scanners by Generation





Imaging Company

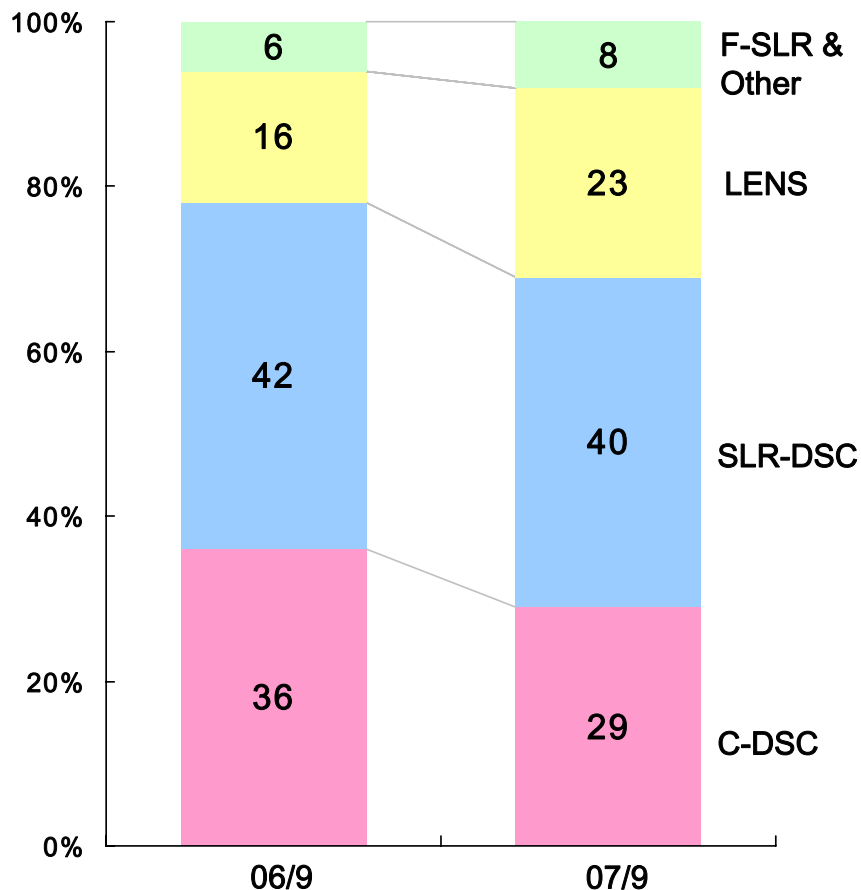
	06/9 (A)	Previous Forecast as of July 31, 2007 (B)	07/9 Result (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	206.3	250.0	271.2	+21.2	+64.9
Operating Income (Billions of yen) % vs Net Sales	18.9 9.2%	35.0 14.0%	38.8 14.3%	+3.8	+19.9
Single-Lens Reflex DSC (1,000 of units sold)	860	1,400	1,470	+70	+610
Compact DSC (1,000 of units sold)	3,400	4,000	4,030	+30	+630
Interchangeable Lenses (1,000 of units sold)	900	2,000	2,200	+200	+1,300

Achieved record high Net Sales and Operating Income through substantial sales increase of all products over the previous mid-term results.

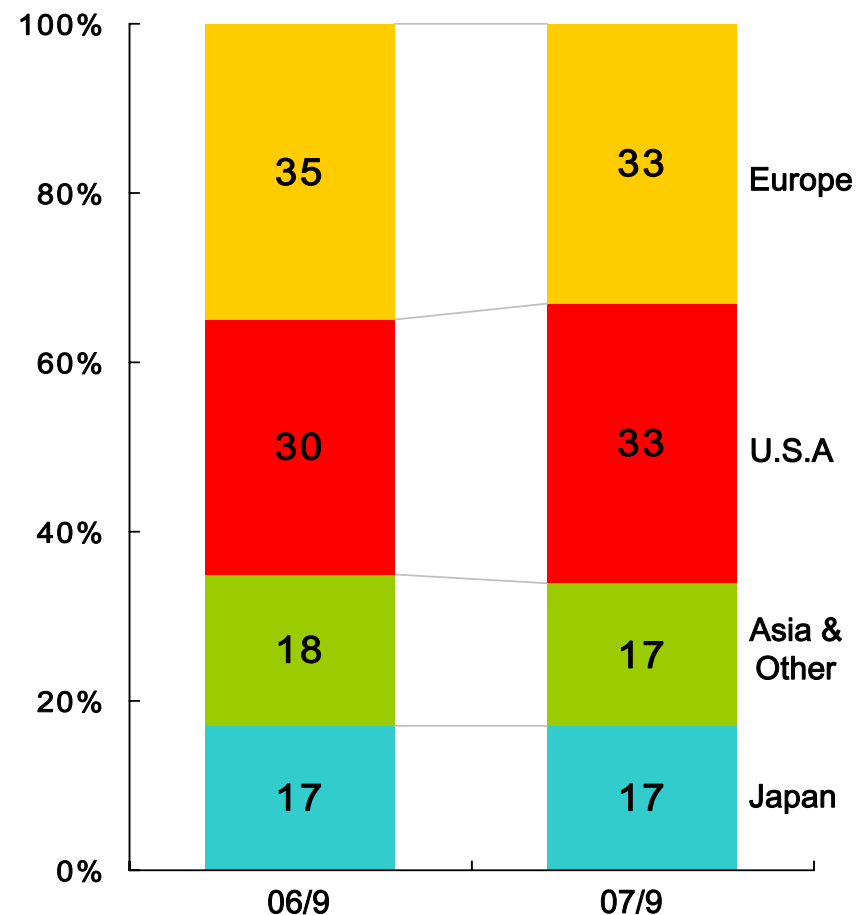


Imaging Company

Shipment value by Products



Shipment value by Region

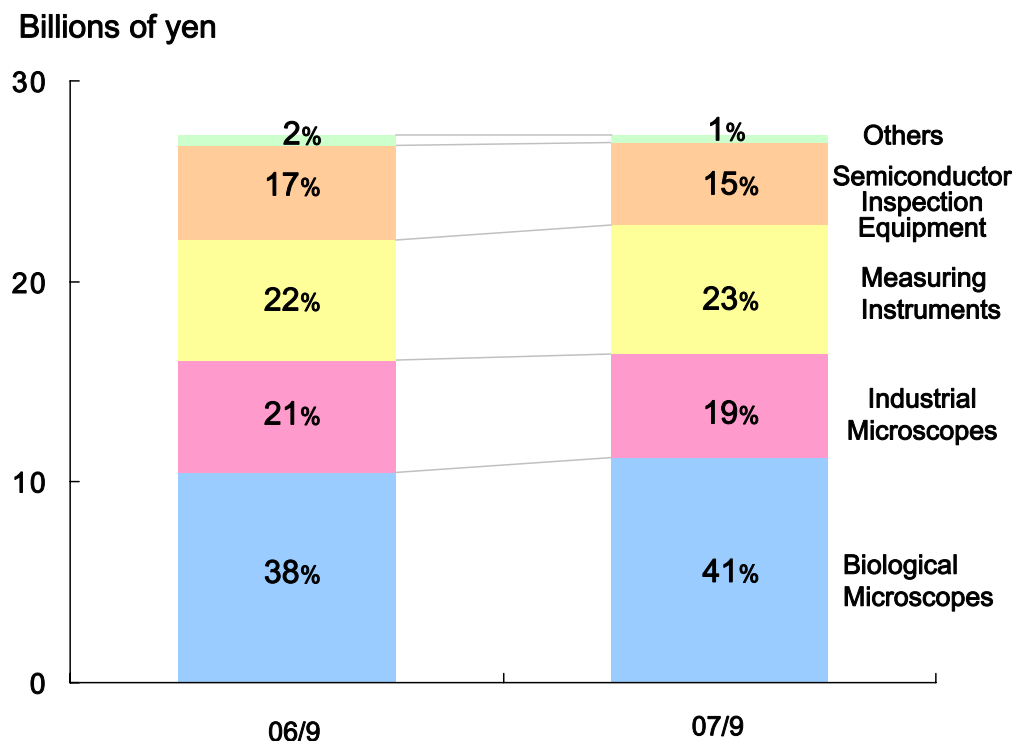


Shipment value of all products increased over the previous mid-term results.



Instruments Company

	06/9 (A)	Previous Forecast as of July 31, 2007 (B)	07/9 Result (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	27.3	28.0	27.3	-0.7	-
Operating Income (Billions of yen) % vs Net Sales	1.0 3.7%	1.0 3.6%	0.9 3.3%	-0.1	-0.1



Slightly short to achieve the previous forecast by Industrial Microscope sales depression through the impact of IC capital expenditure slow down.

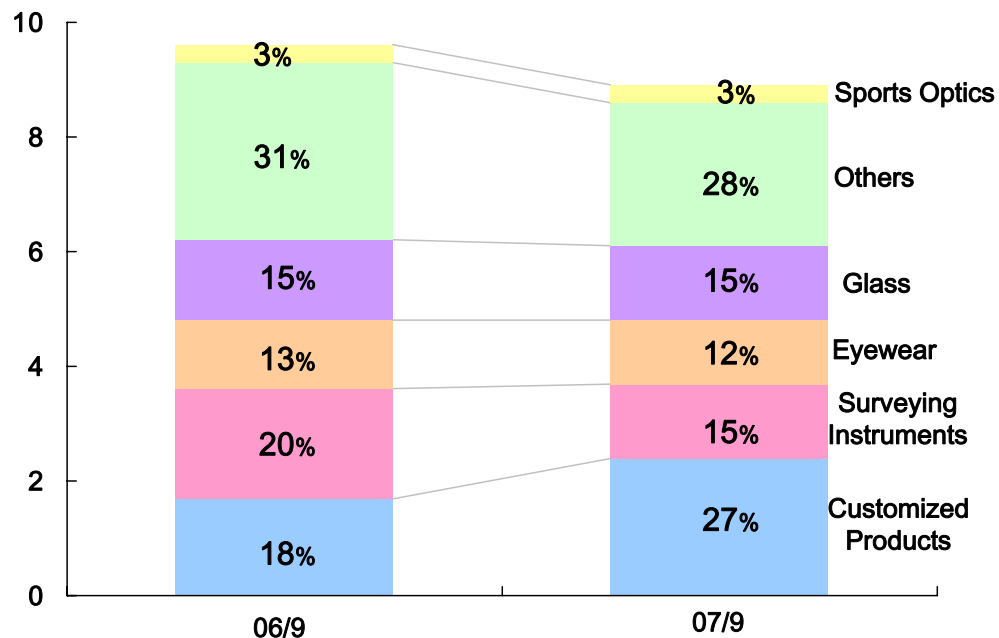
Over the previous mid-term results, sales increase of Biological Microscopes and Measuring Instruments covered loss due to discontinuation of a part of Semiconductor Inspection Equipment business.



Other Businesses

	06/9 (A)	Previous Forecast as of July 31, 2007 (B)	07/9 Result (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	26.3	30.0	26.7	-3.3	+0.4
Operating Income (Billions of yen) % vs Net Sales	1.1 4.2%	1.0 3.3%	2.5 9.4%	+1.5	+1.4

Billions of yen



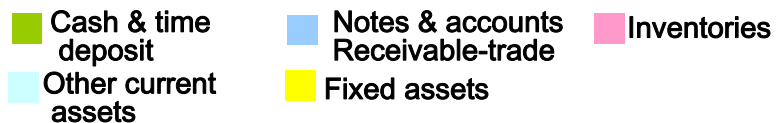
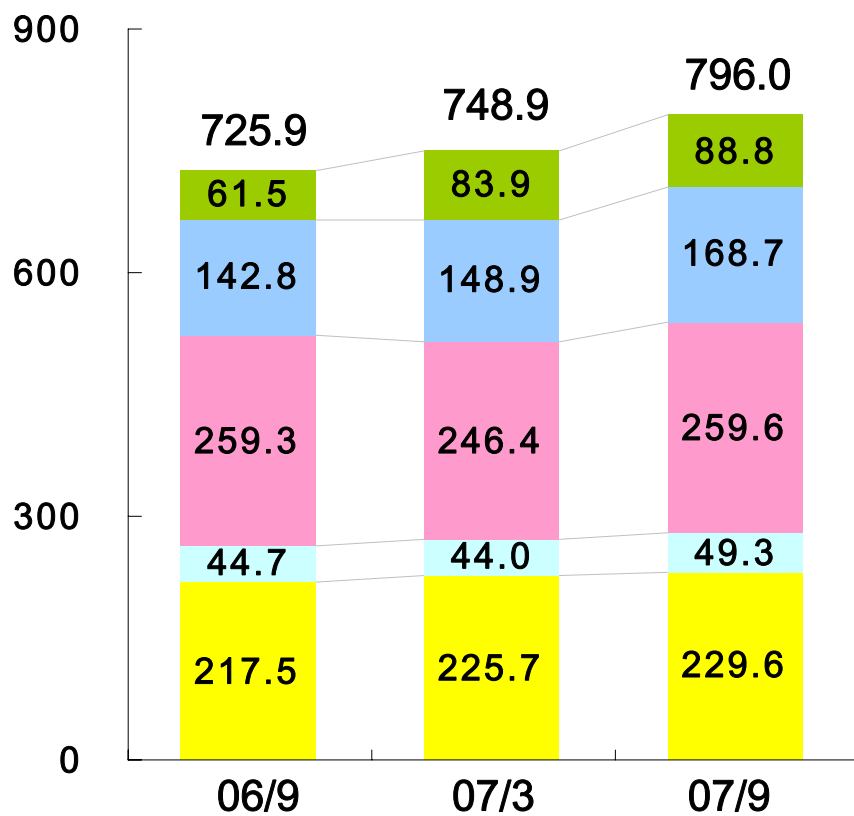
Decision to close ophthalmic frame and sunglass business.
(announcement on Sep. 11, 2007)

Left chart shows a breakdown of 9.6 billion yen (06/9) and 8.9 billion yen (07/9) sales amount to outside customers.

Balance Sheet

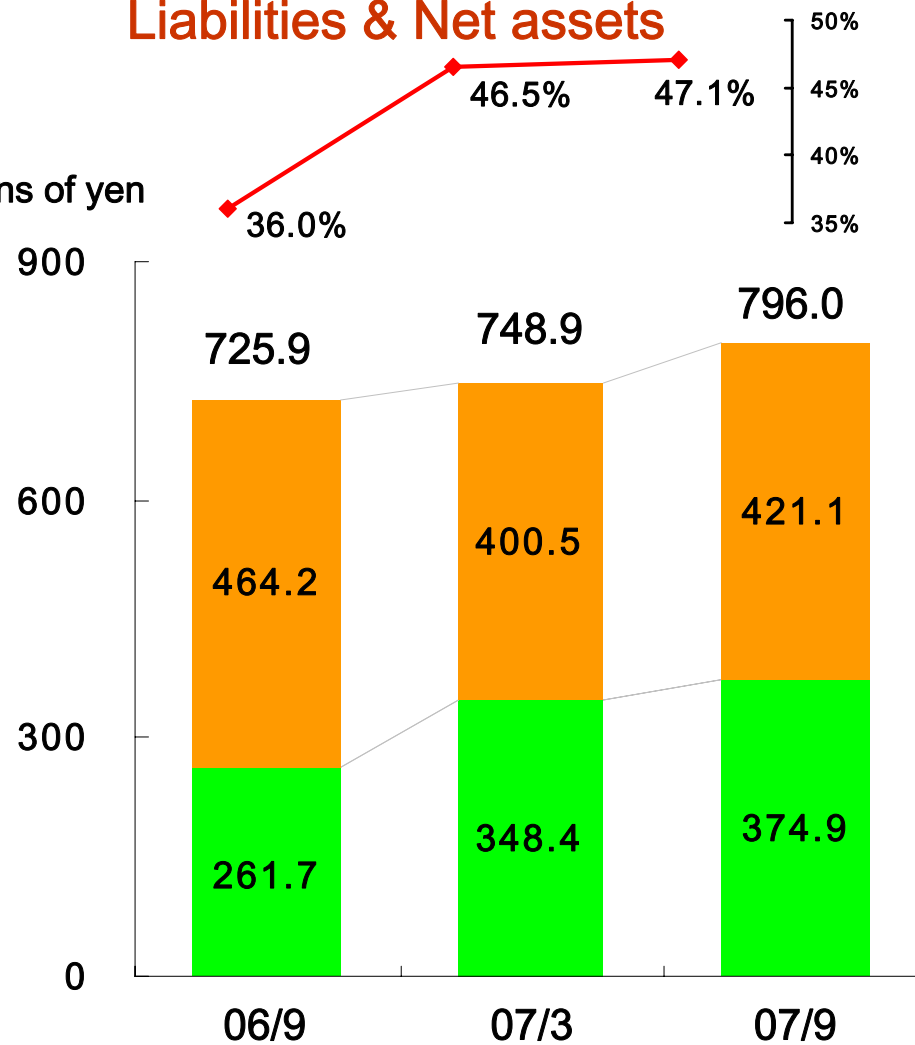
Assets

Billions of yen

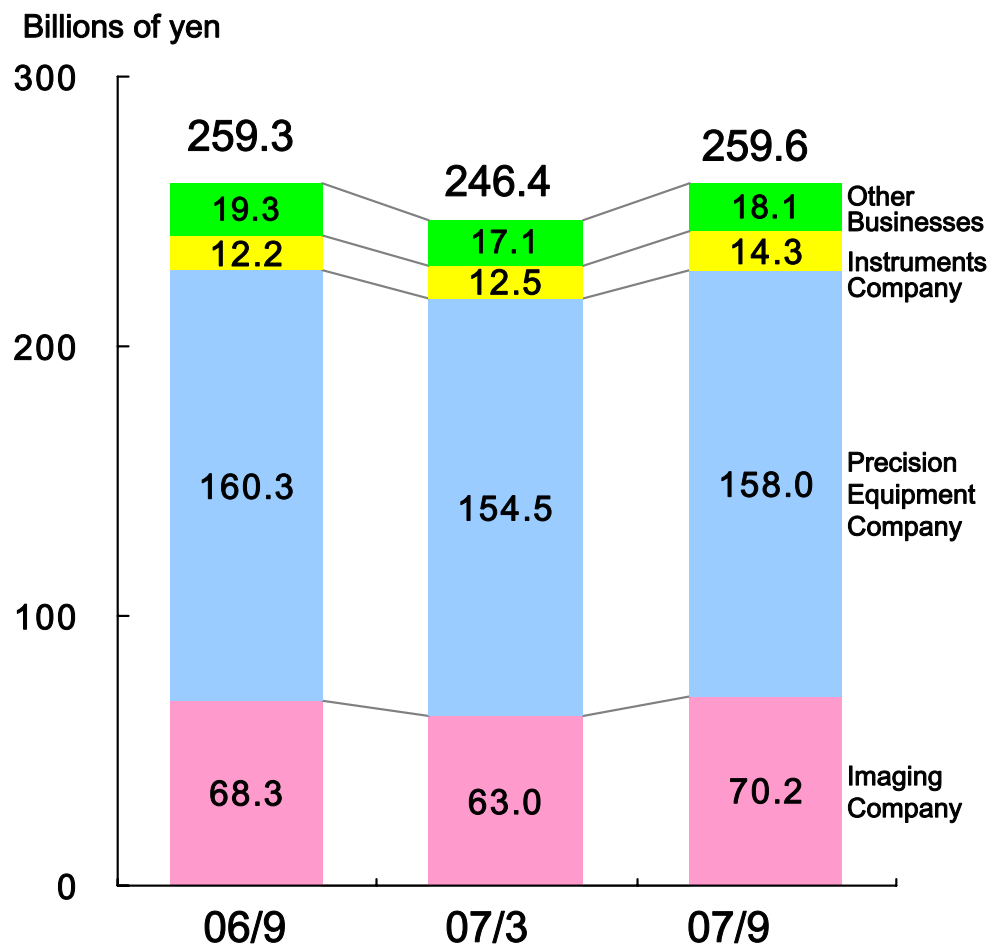


Liabilities & Net assets

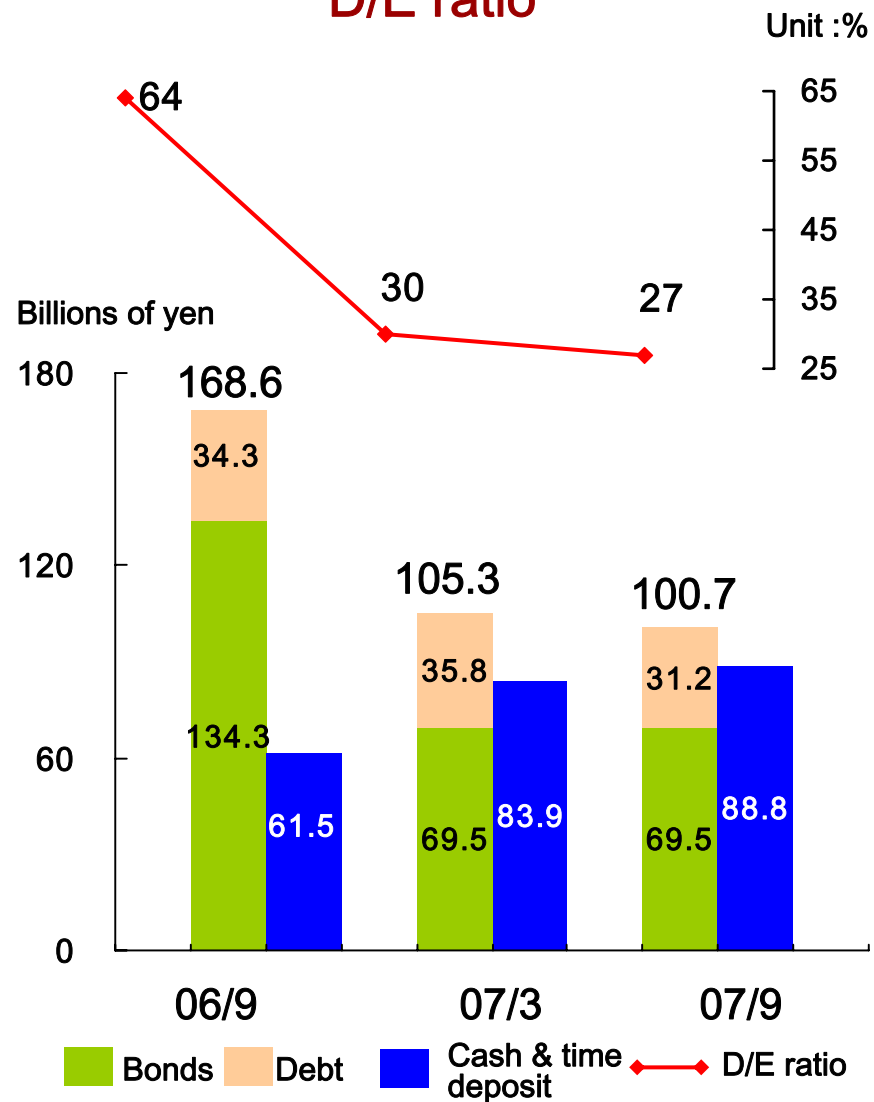
Billions of yen



Inventories



Interest-bearing debt, Cash & time deposit and D/E ratio



Summary for the First Half of the Year Ending March 31, 2008

- Net Sales achieved its highest-ever results 5 years in a row.
- Operating Income, Ordinary Income and Net Income increased to their highest-ever results 3 years in a row.

Precision Equipment Company:

Strong sales of ArF scanners covered LCD stepper & scanner sales drop from aggressive capital investment in the previous term and minimized decline of operating income.

Imaging Company:

Achieved record high Net Sales and Operating Income through substantial sales increase of all products.

Increased interim cash dividend per share of common stock: 11.5 yen

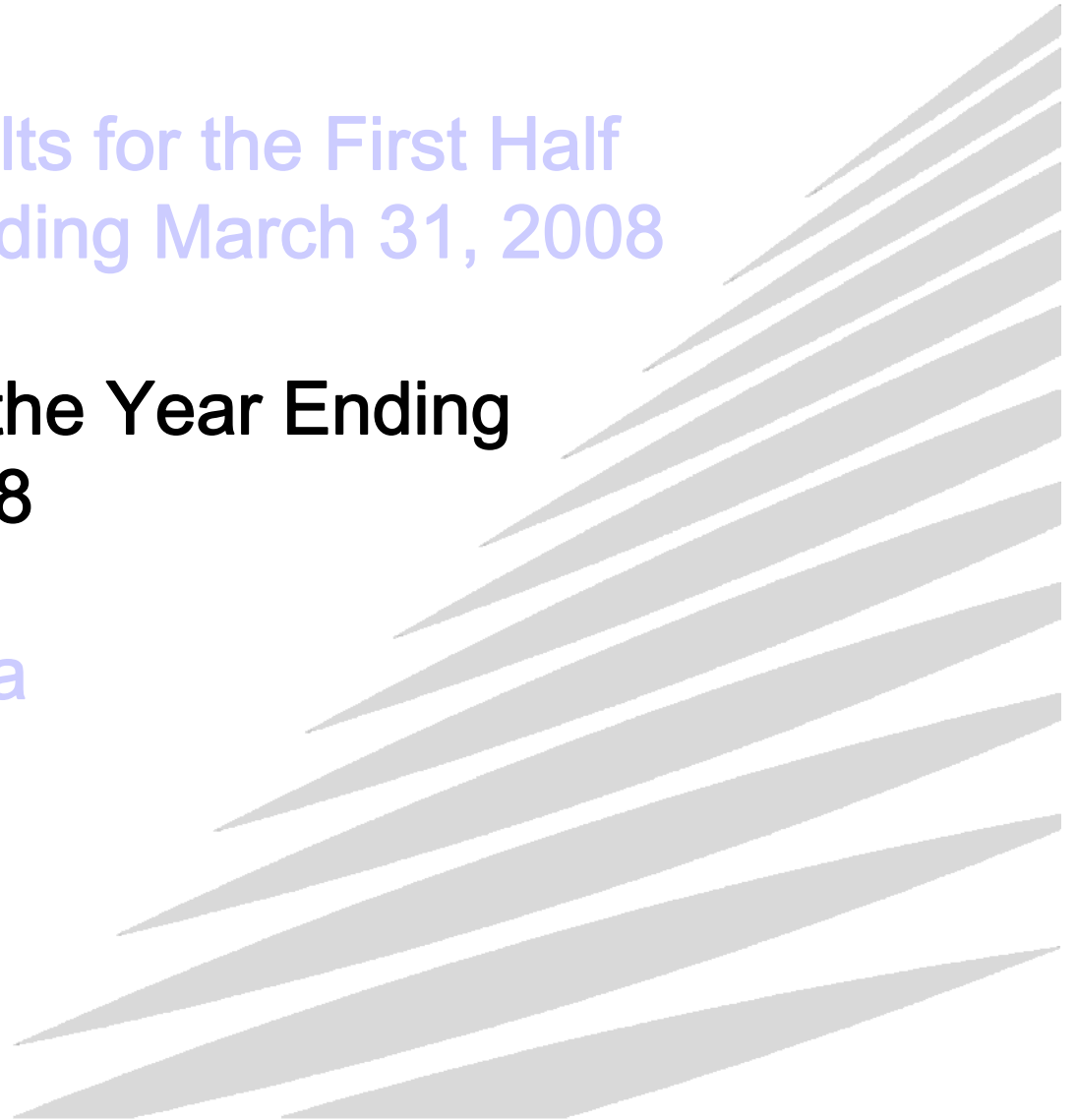
* Previous mid-term dividend: 6.5 yen

* Previous estimation: 9 yen



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Performance Estimation for the Year Ending March 31, 2008

	07/3 (A)	Previous Estimation as of July 31, 2007 (B)	New Estimation (C)	Change (C-B)	Change (C-A)
Net Sales (Billions of yen)	822.8	930.0	948.0	+18.0	+125.2
Operating Income (Billions of yen) % vs Net Sales	102.0 12.4%	114.0 12.3%	127.0 13.4%	+13.0	+25.0
Ordinary Income (Billions of yen) % vs Net Sales	89.6 10.9%	102.0 11.0%	115.0 12.1%	+13.0	+25.4
Net Income (Billions of yen) % vs Net Sales	54.8 6.7%	62.0 6.7%	70.0 7.4%	+8.0	+15.2
Exchange : US\$ Rate	118	115	115	-	- 3 yen
EURO	157	155	155	-	- 2 yen

Revising upward all estimation of Net Sales, Operating Income, Ordinary Income and Net Income.



Estimation for Precision Equipment Company

	07/3	1H 2H	Previous Estimation as of July 31, 2007	1H 2H	New Estimation	1H 2H
Net Sales (Billions of yen)	292.6	<u>135.9</u> 156.7	320.0	<u>140.0</u> 180.0	315.0	<u>140.7</u> 174.3
Operating Income (Billions of yen) % vs Net Sales	49.3 16.8%	<u>23.3</u> 26.0	44.0 13.8%	<u>20.0</u> 24.0	45.0 14.3%	<u>21.3</u> 23.7
IC Steppers & Scanners New / Refurbished (units sold)	158/22	<u>77/ 8</u> 81/14	165/25	<u>75/10</u> 90/15	155/25	<u>68/10</u> 87/15
LCD Steppers & Scanners (units sold)	80	<u>46</u> 34	40	<u>23</u> 17	42	<u>24</u> 18
Market Scale CY06/07 IC Steppers & Scanners (units sold)	571		Approx.510		Approx.570	
Market Scale CY06/07 LCD Steppers & Scanners (TFT-array Only) (units sold)	Approx.125		Approx.70		Approx.70	

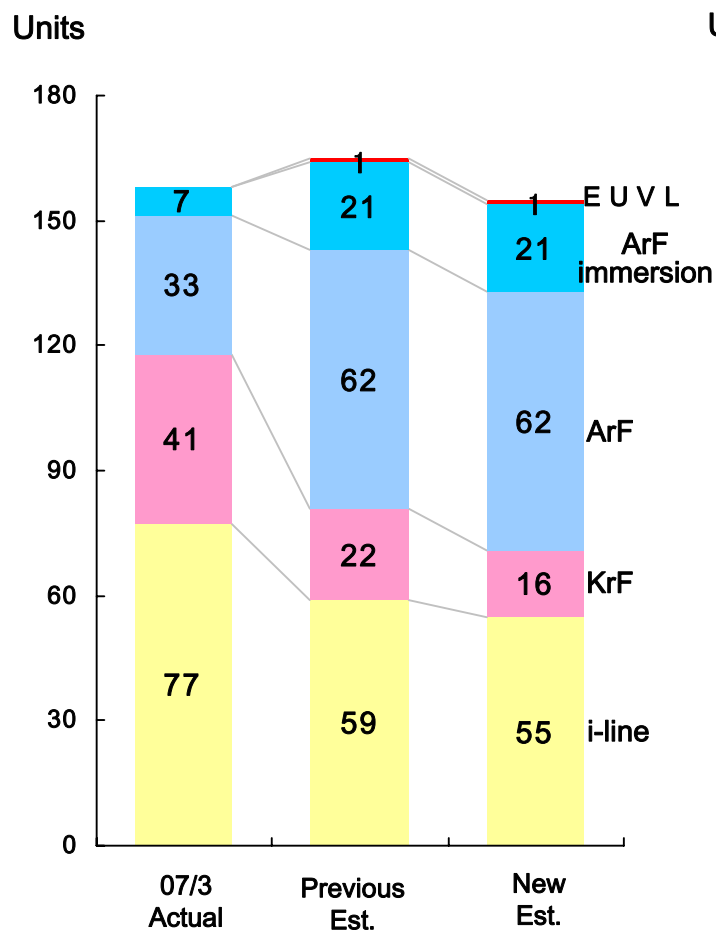
[IC Steppers & Scanners] Decreasing sales estimation by 10 units from the previous estimation due to IC capital expenditure cut-down.

[LCD Steppers & Scanners] Increasing sales estimation by 2 units from the previous estimation through prospect of LCD capital expenditure recovery.

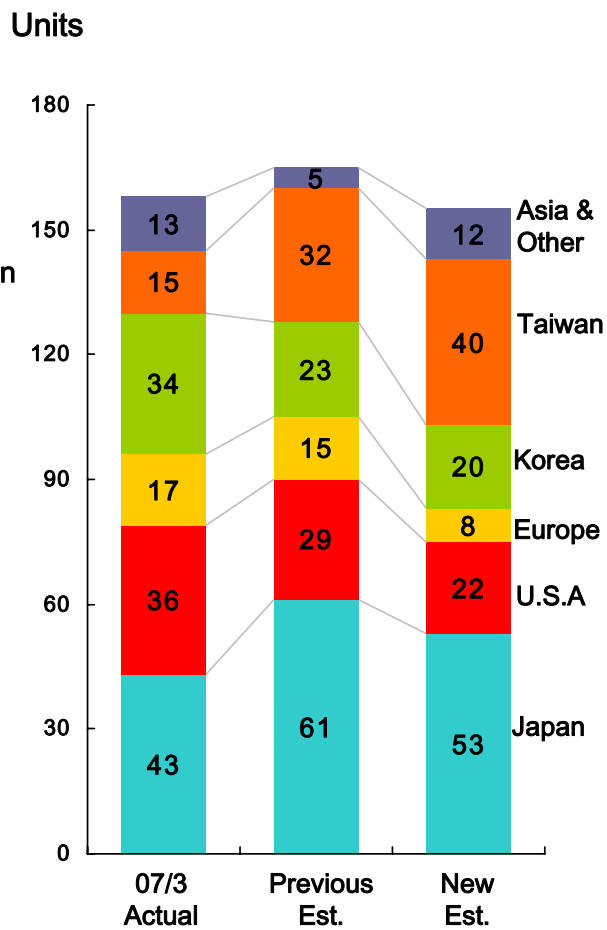


Estimation for Precision Equipment Company

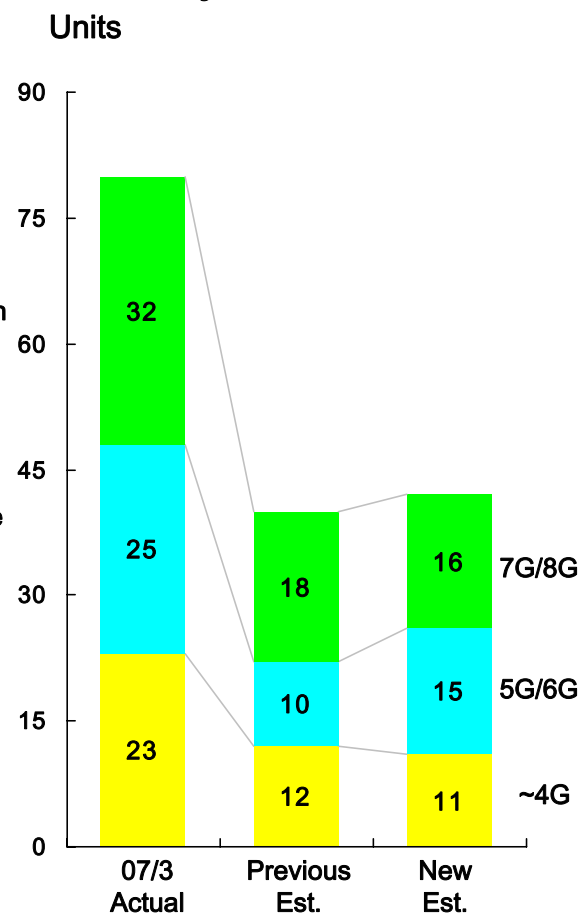
IC Steppers & Scanners Sales by Technology



IC Steppers & Scanners Sales by Region



LCD Steppers & Scanners by Generation





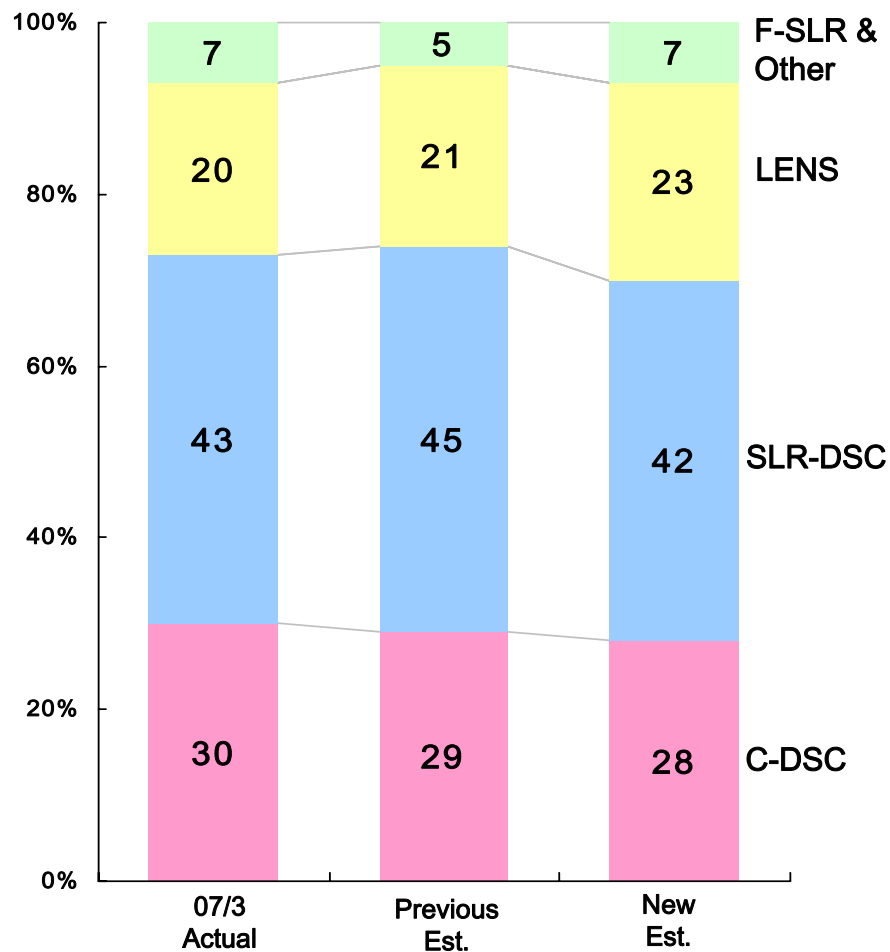
Estimation for Imaging Company

	07/3	1H 2H	Previous Estimation as of July 31, 2007	1H 2H	New Estimation	1H 2H
Net Sales (Billions of yen)	449.8	<u>206.3</u> 243.5	510.0	<u>250.0</u> 260.0	550.0	<u>271.2</u> 278.8
Operating Income (Billions of yen) % vs Net Sales	45.7 10.2%	<u>18.9</u> 26.8	62.0 12.2%	<u>35.0</u> 27.0	74.0 13.5%	<u>38.8</u> 35.2
Single-Lens Reflex DSC (1,000 of units sold)	2,090	<u>860</u> 1,230	2,600	<u>1,400</u> 1,200	3,000	<u>1,470</u> 1,530
Compact DSC (1,000 of units sold)	5,920	<u>3,400</u> 2,520	7,700	<u>4,000</u> 3,700	8,000	<u>4,030</u> 3,970
Interchangeable Lenses (1,000 of units sold)	2,640	<u>900</u> 1,740	3,600	<u>2,000</u> 1,600	4,000	<u>2,200</u> 1,800
Market Scale SLR-DSC (1,000 of units sold)	5,930		7,000		7,500	
Market Scale C-DSC (1,000 of units sold)	75,540		85,000		88,000	

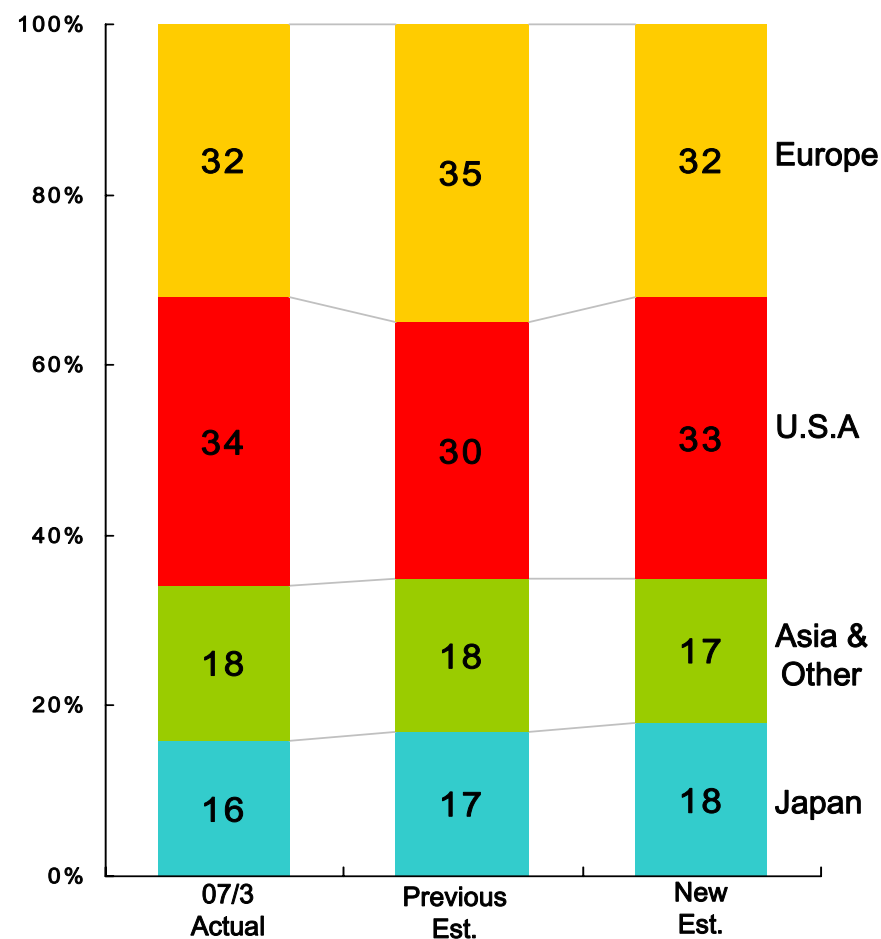
Estimating record high Net Sales and Operating Income by substantial sales increase of all products .

Estimation for Imaging Company

Shipment value by Products



Shipment value by Region

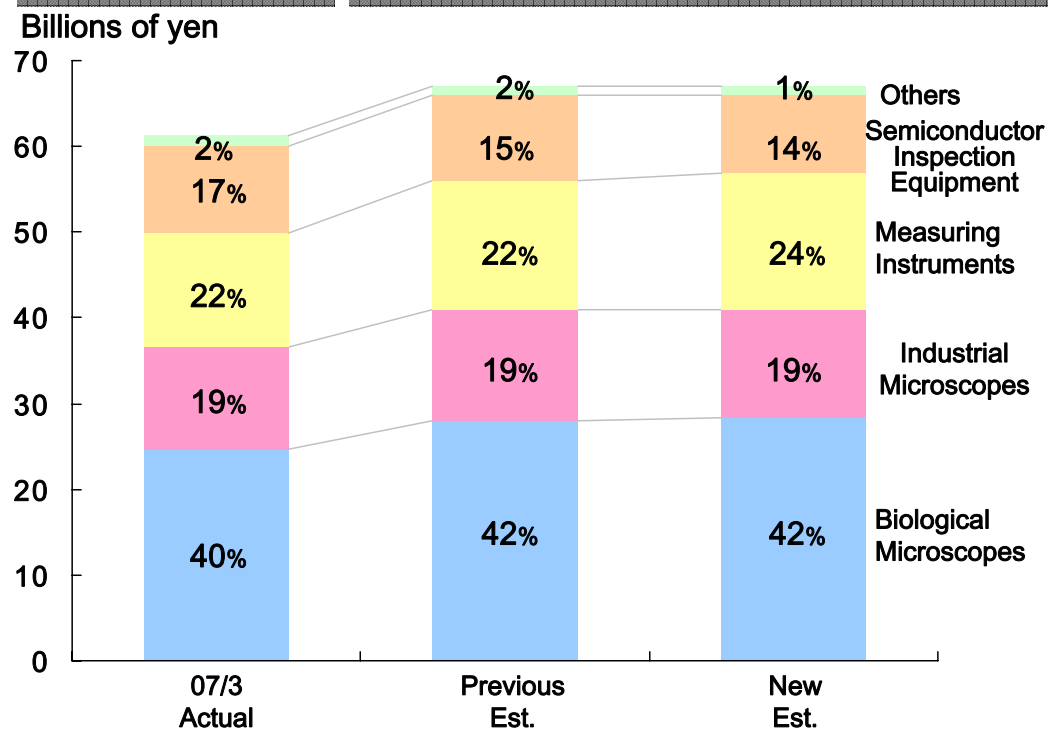


Shipment value of all products increased over the previous mid-term results.



Estimation for Instruments Company

	07/3	1H 2H	Previous Estimation as of July 31, 2007	1H 2H	New Estimation	1H 2H
Net Sales (Billions of yen)	61.2	<u>27.3</u> 33.9	67.0	<u>28.0</u> 39.0	67.0	<u>27.3</u> 39.7
Operating Income (Billions of yen) % vs Net Sales	5.1 8.3%	<u>1.0</u> 4.1	6.0 9.0%	<u>1.0</u> 5.0	6.0 9.0%	<u>0.9</u> 5.1

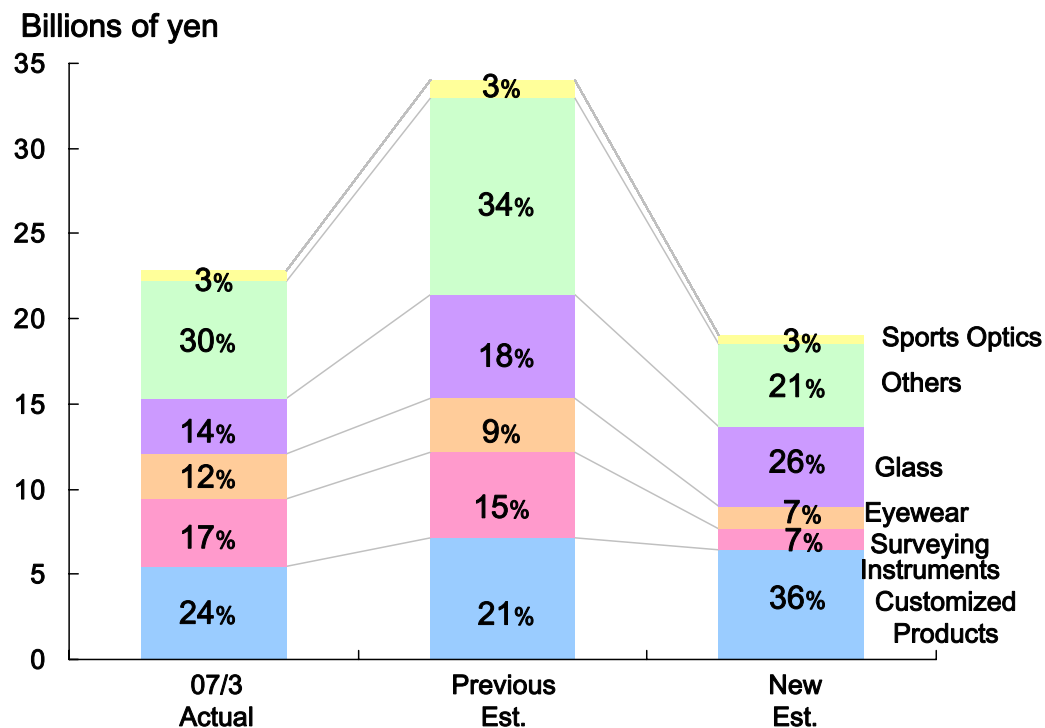


Estimating record high Net Sales and Operating Income by sales increase of Biological Microscopes and Measuring Instruments.



Estimation for Other Business

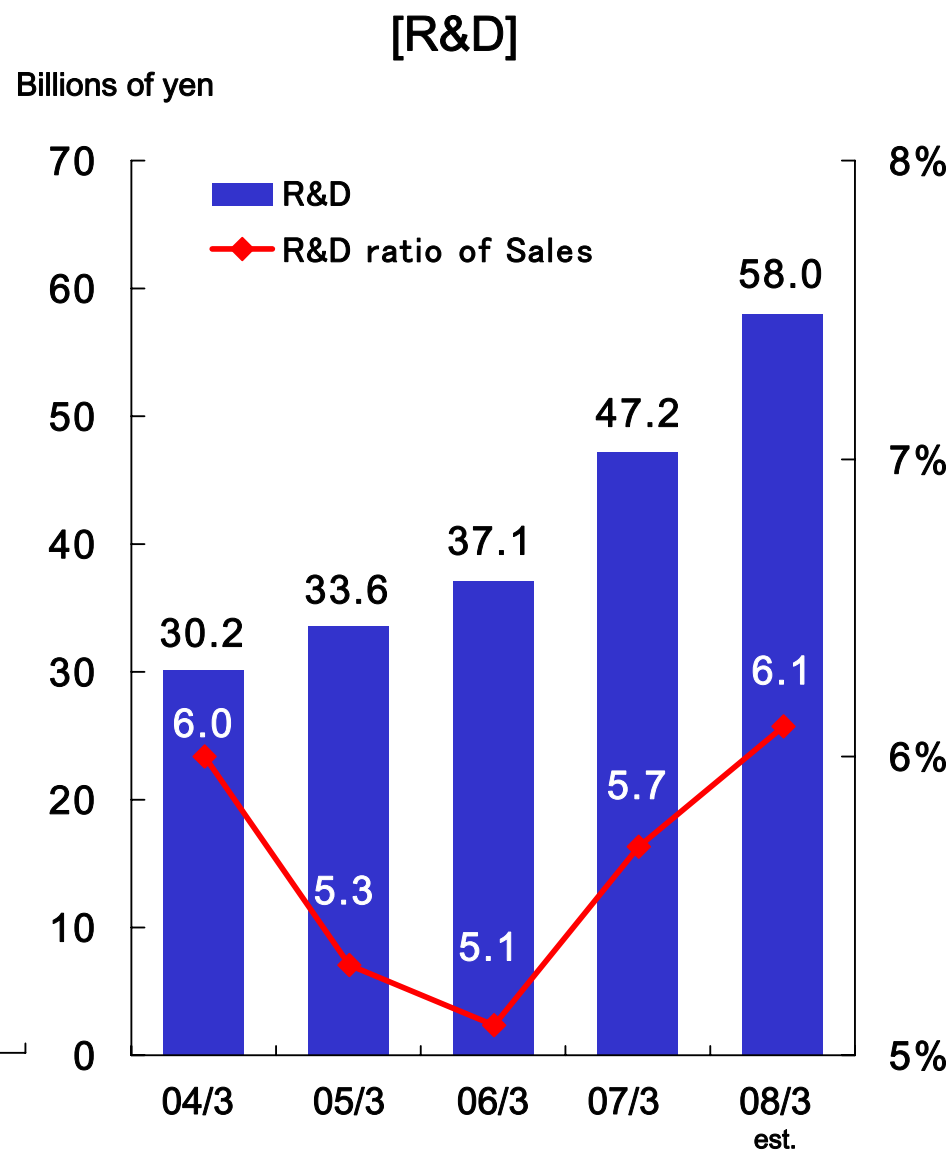
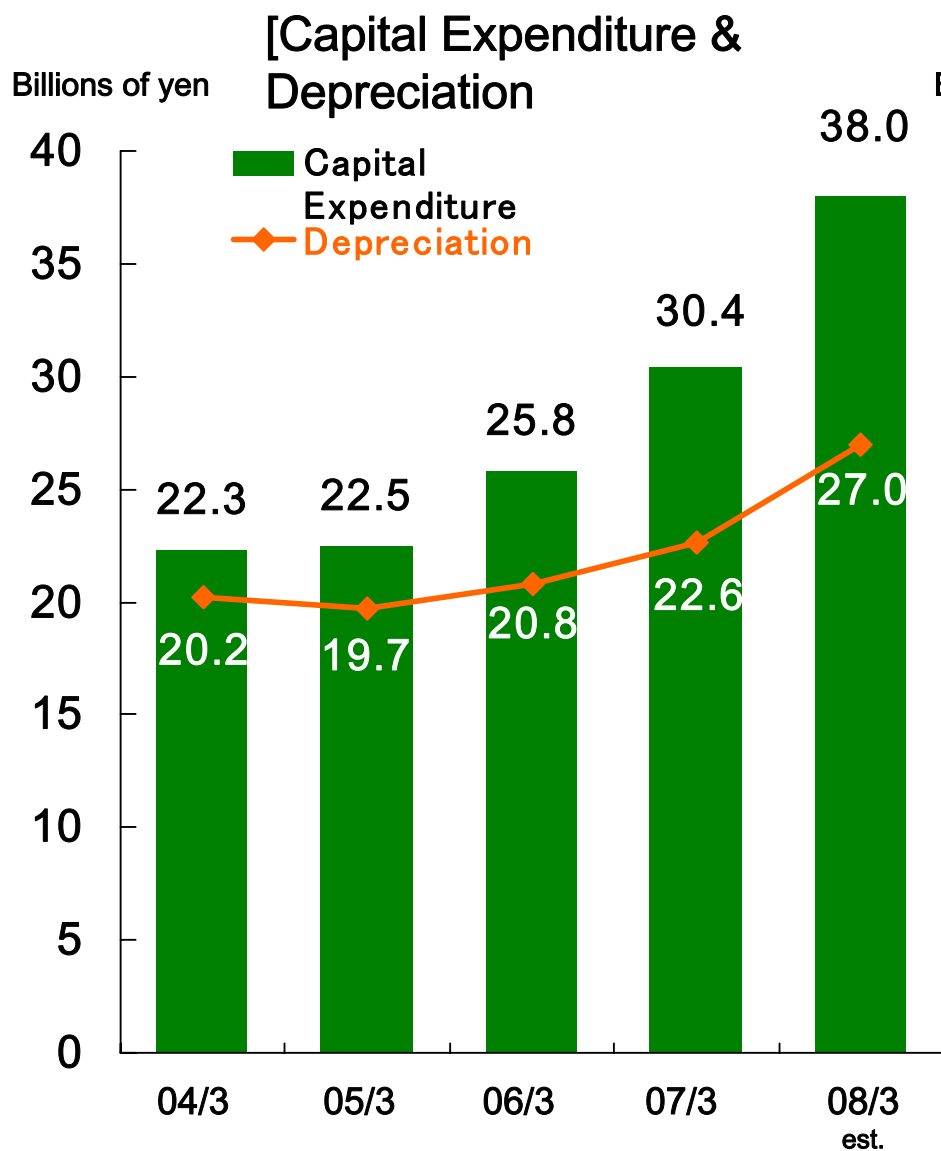
	07/3	1H 2H	Previous Estimation as of July 31, 2007	1H 2H	New Estimation	1H 2H
Net Sales (Billions of yen)	57.2	<u>26.3</u> 30.9	60.0	<u>30.0</u> 30.0	53.0	<u>26.7</u> 26.3
Operating Income (Billions of yen) % vs Net Sales	2.1 3.7%	<u>1.1</u> 1.0	2.0 3.3%	<u>1.0</u> 1.0	2.0 3.8%	<u>2.5</u> -0.5



Glass business started sales of Photomask substrates, polished by Nikon, in earnest and will expand it.

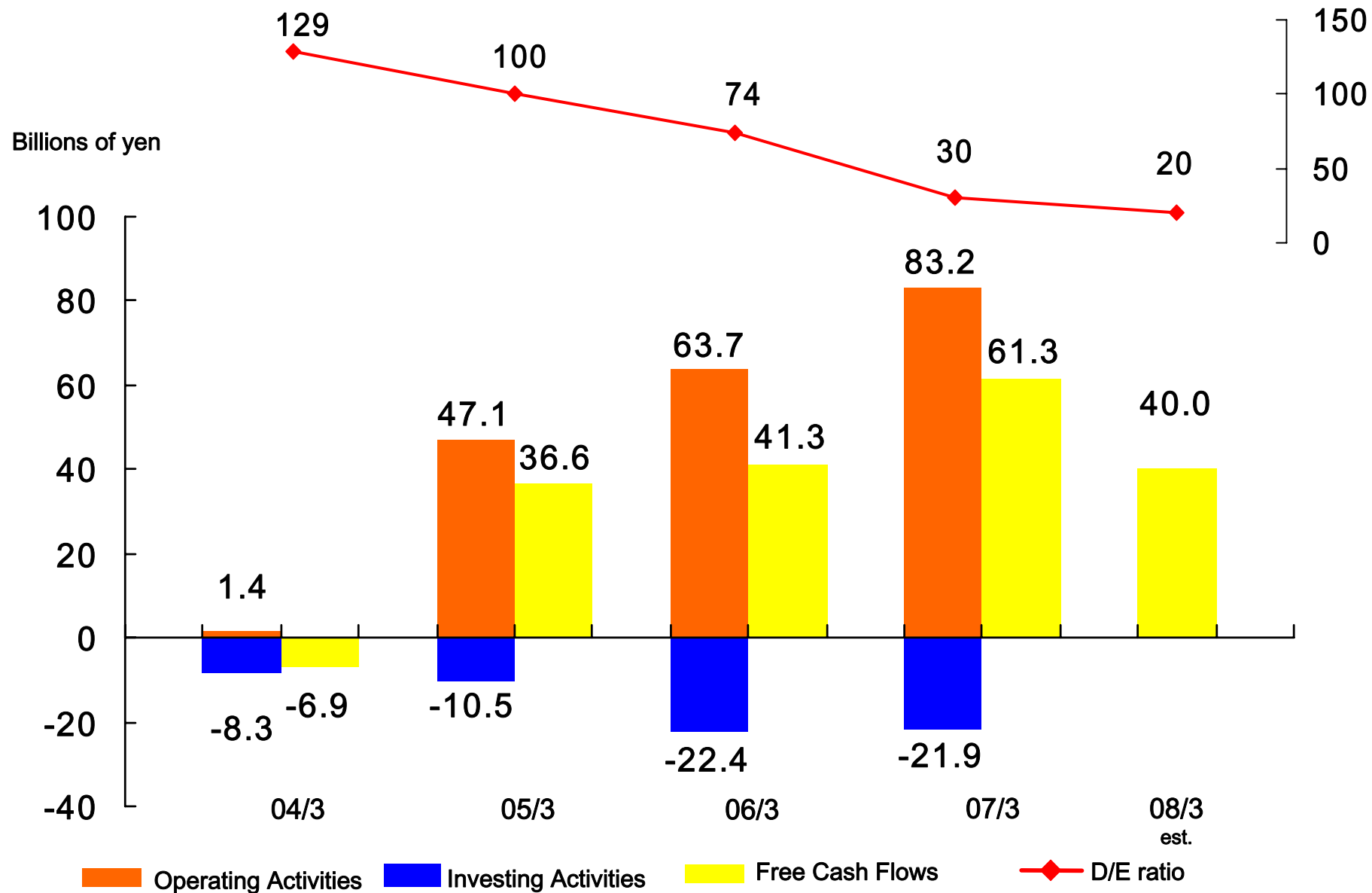
*Left chart shows a breakdown of 22.8 billion yen (07/3) and 18.0 billion yen (08/3) sales amount to outside customers.

Estimation for Capital Expenditure, Depreciation and R&D



Estimation for Cash Flows and D/E ratio

Unit : %



Summary of Estimation for the Year Ending March 31, 2008

- Net Sales:

Estimating its highest-ever results 5 years in a row.

- Operating Income and Ordinary Income:

Estimating their record high results 3 years in a row.

- Net Income:

Estimating its highest-ever results 4 years in a row.

Planning to increase annual cash dividend per share of common stock:
23 yen

[Estimation for the Year Ending March 31, 2009]

Maintaining revenue and profit growth.

- Precision Equipment Company:

[IC Steppers & Scanners] Promoting sales of ArF immersion scanners and new i-line steppers in full scale.

[LCD Steppers & Scanners] Prospecting capital expenditure recovery of LCD market.

- Imaging Company:

Manufacturing products which meet customers' needs in expanding market and enhancing the brand value.

- Instruments Company & new Grass Business:

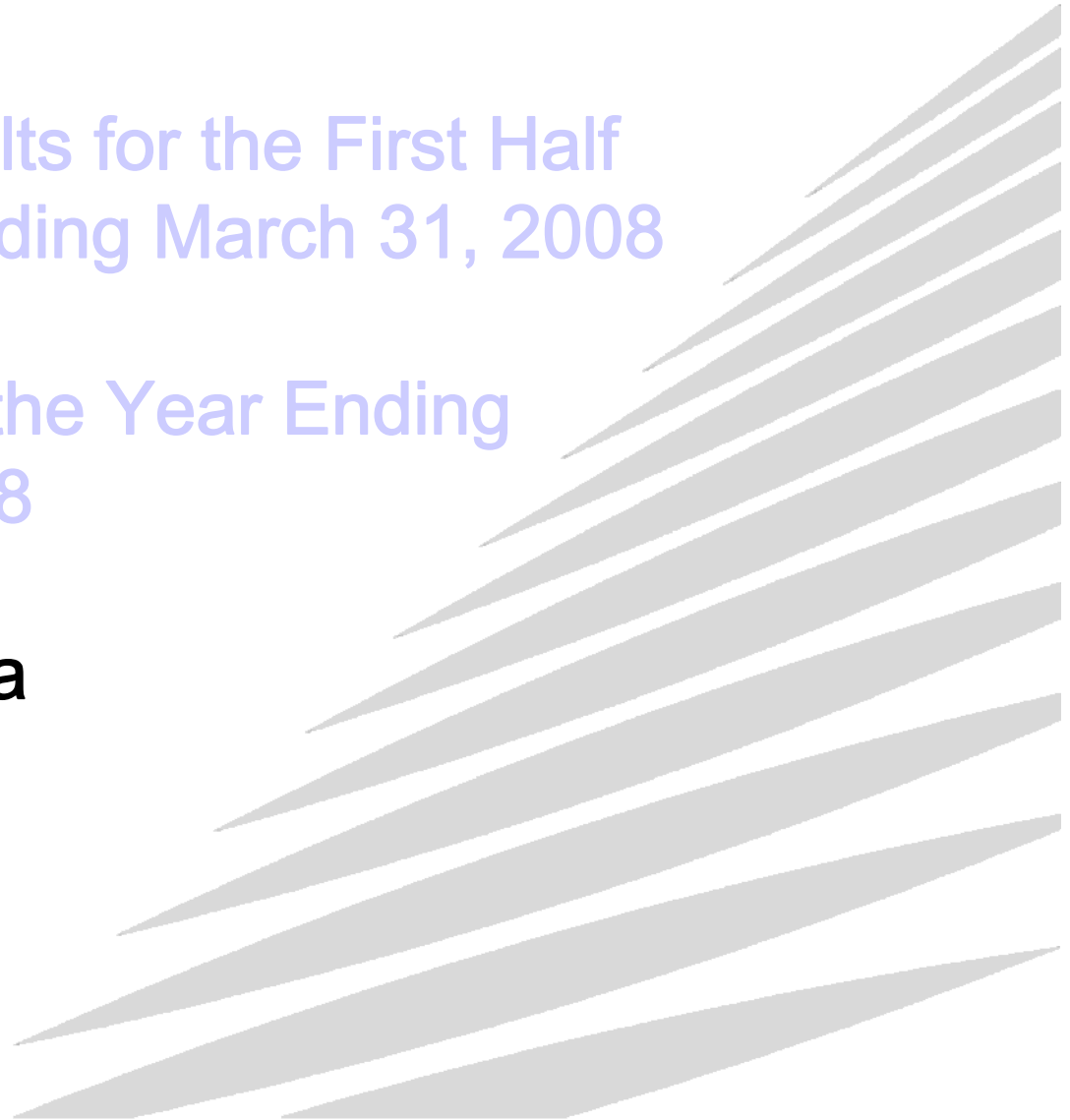
Investing resources and developing to the future main businesses.

- Whole Company: Aggressively accelerating cost reduction.



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Exchange Rate

07/9
Actual Result

	Exchange Rate		Financial Impact*	
	2Q Forecast	1H Result	Net Sales (Billions of yen)	Operating Income (Billions of yen)
US\$	115	119.40	+4.9	+0.6
EURO	155	162.33	+3.4	+1.1
Total			+8.3	+1.7

*Impact from the previous forecast as of July 31, 2007

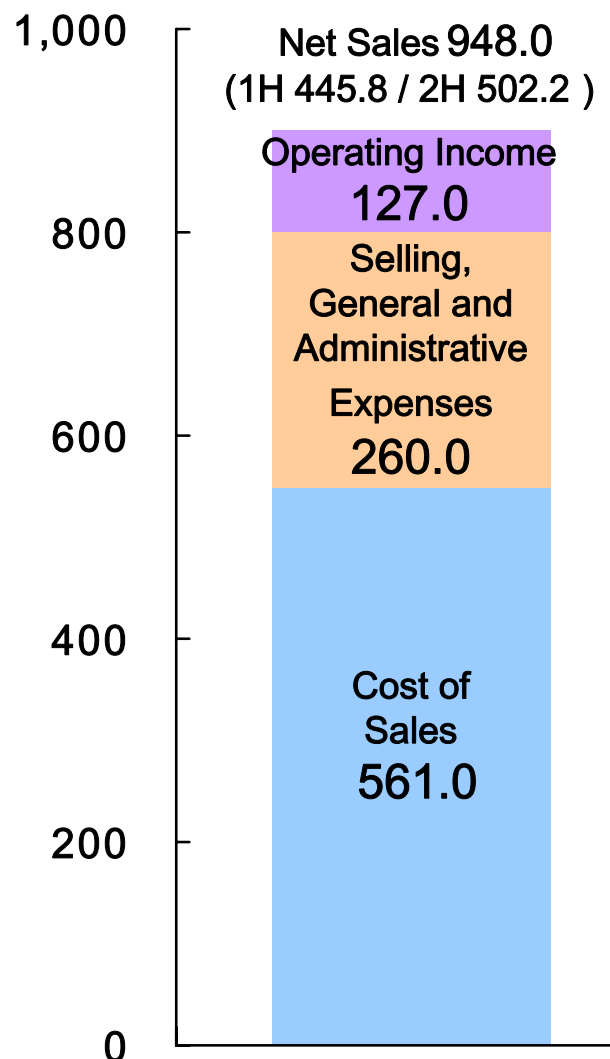
08/3
Estimation

	Exchange Rate	Financial Impact from fluctuation by 1yen	
	08/3 2H Forecast	Net Sales (Full financial year)	Operating Income (2H)
US\$	115	approx. 0.9 billions of yen	approx. 0.2 billions of yen
EURO	155	approx. 0.5 billions of yen	approx. 0.35 billions of yen



Earning Estimation for the Year Ending March 31, 2008

Billions of yen

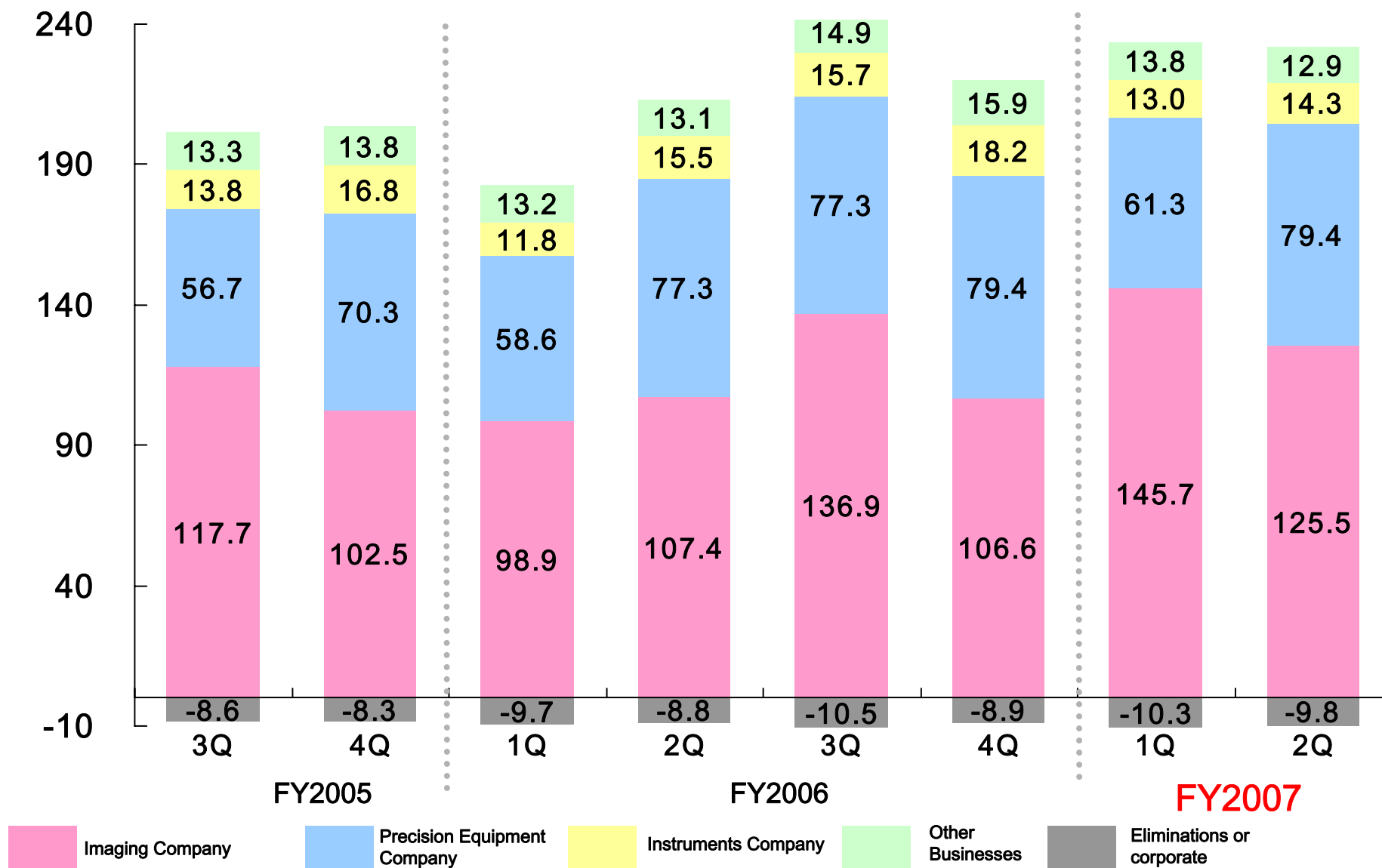


Billions of yen		07/3 Actual		08/3 Estimation	
Operating Income	1H	102.0	44.0	127.0	63.3
	2H		58.0		63.7
Non-operating Income		7.1		7.0	
Non-operating Expenses		19.5		19.0	
Ordinary Income	1H	89.6	37.1	115.0	58.9
	2H		52.5		56.1
Extra ordinary gain & loss		-1.7		-4.0	
Income Taxes		33.0		41.0	
Net Income	1H	54.8	23.2	70.0	34.4
	2H		31.6		35.6



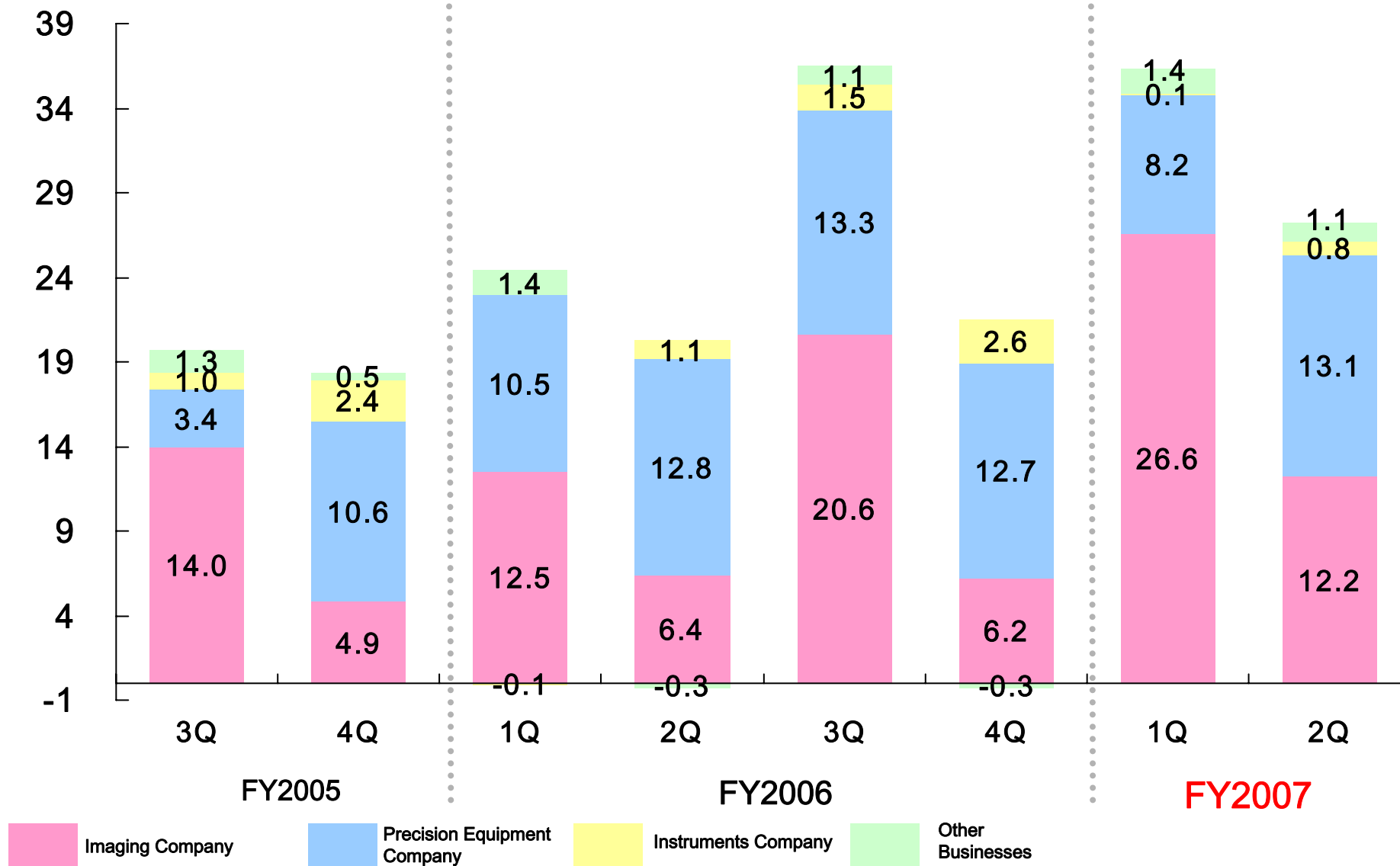
Quarterly Net Sales by segments

Billions of yen



Quarterly Operating Income by segments

Billions of yen





NIKON CORPORATION