



First Half ended September 30, 2003 Financial Results (Consolidated)

Company name: NIKON CORPORATION

Code number: 7731

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

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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, 2003: November 11, 2003

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

1. Results of First Half ended September 30, 2003 (From April 1, to September 30, 2003)

(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(Loss)	Change
First Half ended September 30, 2003	¥240,917	12.0%	¥1,667	(68.8)%	¥(515)	- %
First Half ended September 30, 2002	¥215,129	(8.5)%	¥5,350	(75.4)%	¥1,698	(91.1)%
Year ended March 31, 2003	¥468,958		¥4,186		¥(6,741)	

	Net Income (Loss)	Change	Net Income (Loss) per share of Common Stock (Yen)	Net Income (Loss) per share of Common Stock (Yen) after dilution
First Half ended September 30, 2003	¥2,046	- %	¥5.54	¥5.12
First Half ended September 30, 2002	¥(3,477)	- %	¥(9.40)	-
Year ended March 31, 2003	¥(8,142)		¥(22.03)	-

(Notes) 1. Equity in Earning of non-consolidated subsidiaries: First Half ended September 30, 2003: 424 Mill Yen

First Half ended September 30, 2002: 345 Mill Yen

Year ended March 31, 2003: 757 Mill Yen

2. Average number of shares outstanding (Consolidated): First Half ended September 30, 2003: 369,383,207 shares

First Half ended September 30, 2002: 369,774,850 shares

Year ended March 31, 2003: 369,650,771 shares

3. Change in accounting method : N/A

4. The percentage figures for net sales, operating income, ordinary income (loss) 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, 2003	¥582,265	¥167,188	28.7 %	¥452.63
First Half ended September 30, 2002	¥610,248	¥171,546	28.1 %	¥463.96
Year ended March 31, 2003	¥576,911	¥162,463	28.2 %	¥439.81

(Notes) Number of shares outstanding as of September 30, 2003: 369,366,108 shares

as of September 30, 2002: 369,741,496 shares

as of March 31, 2003 : 369,395,251 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, 2003	¥2,295	¥(10,485)	¥7,858	¥23,416
First Half ended September 30, 2002	¥4,447	¥(15,991)	¥16,870	¥29,550
Year ended March 31, 2003	¥9,404	¥(18,532)	¥8,645	¥23,692

(4) Consolidated and Equity method Policies

Number of Consolidated Subsidiaries : 46

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

Number of Affiliates accounted for by equity method : 3

(5) Changes in Consolidation and Equity method Policies

Consolidation New : 2, Exclusion : 1

Equity method New : 1, Exclusion : 0

2. Forecast for Year ended March 31, 2004 (From April 1, 2003 to March 31, 2004)

Amount Unit : 1 Million Yen

	Net Sales	Ordinary Income	Net Income
Year ended March 31, 2004	¥540,000	¥3,000	¥5,500

Ref. Expected net income per share of common stock for year ended March 31, 2004: 14.89 Yen

NOTE: These forward-looking statements are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risks and uncertainties. The Company's actual results may differ materially from those discussed in these forward-looking statements as a result of numerous factors outside of the Company's control.

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

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of September 30, 2003		As of September 30, 2002		As of March 31, 2003	
		%		%		%
Assets						
Current assets						
Cash and time deposits	23,503		31,206		25,656	
Notes and accounts receivable-trade	103,044		108,233		104,900	
Inventories	226,699		242,568		226,627	
Other current assets	35,841		33,673		34,069	
Allowance for doubtful receivables	(2,619)		(3,180)		(2,940)	
Total current assets	386,469	66.4	412,500	67.6	388,313	67.3
Fixed assets						
Tangible fixed assets						
Buildings and structures	40,978		39,398		41,380	
Machinery and vehicles	34,574		34,685		34,595	
Furniture and fixtures	11,244		10,419		10,825	
Land	16,622		16,870		16,894	
Construction in progress	5,621		10,986		6,815	
Total tangible fixed assets	109,040	18.7	112,360	18.4	110,511	19.2
Intangible fixed assets	10,665	1.8	8,733	1.4	8,881	1.5
Investments and other assets						
Investment securities	53,064		49,209		42,475	
Other	23,109		27,598		26,878	
Allowance for doubtful receivables	(82)		(154)		(147)	
Total investments and other assets	76,090	13.1	76,653	12.6	69,205	12.0
Total fixed assets	195,796	33.6	197,747	32.4	188,598	32.7
Total assets	582,265	100.0	610,248	100.0	576,911	100.0

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

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of September 30, 2003		As of September 30, 2002		As of March 31, 2003	
		%		%		%
Liabilities						
Current liabilities						
Notes and accounts payable-trade	108,292		111,386		98,792	
Short-term borrowings	58,611		55,112		49,052	
Commercial paper	20,000		25,000		13,000	
Current portion of bonds	20,000		20,000		20,000	
Accrued income taxes	3,151		4,832		3,227	
Accrued expenses	31,800		34,838		33,983	
Warranty reserve	4,702		4,764		4,992	
Other current liabilities	17,562		34,958		31,267	
Total current liabilities	264,121	45.4	290,893	47.7	254,315	44.1
Long-term liabilities						
Bonds	121,000		121,000		131,000	
Long-term debt	8,126		7,073		7,809	
Liability for employees' retirement benefits	20,461		18,188		19,879	
Other long-term liabilities	1,197		1,398		1,289	
Total long-term liabilities	150,785	25.9	147,660	24.2	159,978	27.7
Total liabilities	414,906	71.3	438,553	71.9	414,294	71.8
Minority interest	171	0.0	148	0.0	153	0.0
Shareholders' equity						
Common stock	36,660	6.3	36,660	6.0	36,660	6.4
Capital surplus	51,924	8.9	51,924	8.5	51,924	9.0
Retained earnings	82,626	14.2	85,248	14.0	80,582	14.0
Unrealized gain (loss) on available-for-sale securities	1,007	0.2	1,009	0.1	(3,531)	(0.6)
Foreign currency translation adjustments	(4,452)	(0.8)	(3,055)	(0.5)	(2,628)	(0.5)
Total	167,766		171,787		163,008	
Treasury stock	(578)	(0.1)	(241)	(0.0)	(544)	(0.1)
Total shareholders' equity	167,188	28.7	171,546	28.1	162,463	28.2
Total liabilities and shareholders' equity	582,265	100.0	610,248	100.0	576,911	100.0

Consolidated Statements of Income

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003		First Half ended September 30, 2002		Year ended March 31, 2003	
		%		%		%
Net sales	240,917	100.0	215,129	100.0	468,958	100.0
Cost of sales	159,179	66.1	133,468	62.0	307,503	65.6
Selling, general and administrative expenses	80,070	33.2	76,311	35.5	157,269	33.5
Operating income	1,667	0.7	5,350	2.5	4,186	0.9
Non-operating income						
Interest and dividend income	512	0.2	620	0.3	1,067	0.2
Other income	2,344	1.0	3,093	1.4	5,935	1.3
Non-operating expenses						
Interest expenses	1,233	0.5	1,407	0.7	2,626	0.6
Other expenses	3,805	1.6	5,959	2.7	15,303	3.2
Ordinary income (loss)	(515)	(0.2)	1,698	0.8	(6,741)	(1.4)
Special gain						
Gain on sales of fixed assets	3,044	1.2	998	0.5	9,269	2.0
Gain on sales of investment securities	2,110	0.9	12	0.0	1,548	0.3
Special loss						
Loss on sales and disposal of fixed assets	304	0.1	236	0.1	647	0.1
Loss on sales of investment securities	40	0.0	500	0.2	2,041	0.4
Additional retirement benefits paid to employees	-		10,182	4.7	11,019	2.4
Other loss	2	0.0	732	0.4	1,496	0.3
Income (loss) before income taxes	4,291	1.8	(8,941)	(4.1)	(11,127)	(2.3)
Income taxes	2,227	0.9	(5,456)	(2.5)	(2,980)	(0.6)
Minority interest	17	0.0	(8)	(0.0)	(4)	(0.0)
Net income (loss)	2,046	0.9	(3,477)	(1.6)	(8,142)	(1.7)

Consolidated Statements of Shareholders' Equity

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003	First Half ended September 30, 2002	Year ended March 31, 2003
(Capital surplus)			
Capital surplus (Beginning)	51,924	51,924	51,924
Increase of capital surplus			
Gain on sales of treasury stock	0	-	-
Capital surplus (Ending)	51,924	51,924	51,924
(Retained earnings)			
Retained earnings (Beginning)	80,582	88,725	88,725
Increase of retained earnings			
Net income	2,046	-	-
Decrease of retained earnings			
Net loss	-	3,477	8,142
Adjustment of retained earnings for deconsolidated subsidiary	3	-	-
Retained earnings (Ending)	82,626	85,248	80,582

Consolidated Statements of Cash Flows

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003	First Half ended September 30, 2002	Year ended March 31, 2003
1. Cash flows from operating activities			
Income (loss) before income taxes	4,291	(8,941)	(11,127)
Depreciation and amortization	9,521	9,794	20,367
Net increase (decrease) in warranty reserve	(101)	(1,287)	(1,034)
Provision for employees' retirement benefits	770	769	2,456
Interest and dividend income	(512)	(620)	(1,067)
Interest expenses	1,233	1,407	2,626
Gain on sales of fixed assets	(3,044)	(998)	(9,269)
Loss on sales and disposal of fixed assets	304	236	649
Gain on sales of investment securities	(2,110)	(12)	(1,548)
Loss on sales of investment securities	40	500	2,041
Net decrease (increase) in trade notes and accounts receivable	(1,447)	(6,482)	(2,223)
Net decrease (increase) in inventories	(3,244)	(36,607)	(20,298)
Net increase (decrease) in trade notes and accounts payable	13,170	33,501	20,020
Other, net (operating activities)	(13,559)	9,689	7,587
Sub total	5,312	946	9,180
Interest and dividends received	764	563	1,158
Interest paid	(1,306)	(1,403)	(2,629)
Income taxes paid	(2,474)	4,342	1,694
Net cash provided by operating activities	2,295	4,447	9,404
2. Cash flows from investing activities			
Payments for purchases of tangible fixed assets	(10,156)	(12,310)	(19,759)
Proceeds from sales of tangible fixed assets	2,895	1,341	9,878
Payments for purchases of investment securities	(10,034)	(458)	(6,147)
Proceeds from sales of investment securities	9,734	487	5,973
Net decrease (increase) in loans receivable	(792)	(541)	(76)
Other, net (investing activities)	(2,131)	(4,509)	(8,400)
Net cash used in investing activities	(10,485)	(15,991)	(18,532)
3. Cash flows from financing activities			
Increase (decrease) in short-term borrowings	11,424	(15,371)	(20,755)
Increase (decrease) in commercial paper	7,000	(20,000)	(32,000)
Proceeds from long-term debt	1,400	57,392	78,317
Repayments of long-term debt	(11,926)	(5,068)	(16,523)
Dividends paid	(2)	(4)	(7)
Other, net (financing activities)	(37)	(78)	(383)
Net cash provided by financial activities	7,858	16,870	8,645
4. Foreign currency translation adjustments on cash and cash equivalents	(598)	(630)	(680)
5. Net increase (decrease) in cash and cash equivalents	(928)	4,695	(1,162)
6. Cash and cash equivalents at beginning of year	23,692	24,614	24,614
7. Cash and cash equivalents of newly consolidated subsidiaries at beginning of year	916	240	240
8. Cash and cash equivalents of deconsolidated subsidiaries at beginning of year	(263)	-	-
9. Cash and cash equivalents at end of year	23,416	29,550	23,692

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 are 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.

(7)Revenue recognition

The Emerging Issues Task Force in the United States of America reached a final consensus on Issue No.00-21("EITF 00-21"), "Revenue Arrangements with Multiple Deliverables". Certain foreign subsidiaries adopted the provisions of EITF 00-21 for transactions. The revenue recognized on the sale of machine was changed the completion of the installation process into successful installation and final customer acceptance. As a result of adopting the provision of EITF 00-21, operating income decreased by 442 million yen, ordinary loss increased and income before income tax decreased by the same amount, respectively, for the first half ended September 30, 2003, as compared with the amounts calculated by the prior method in the prior fiscal year.

(Summary for reference only)

Segment Information**1. Industry Segments**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003						
	Precision Equipment	Imaging Products	Instruments	Other	Total	Elimination or corporate	Consolidated
1. Net sales							
1)Outside	68,883	141,923	21,447	8,663	240,917	-	240,917
2)Intersegment sales/transfer	683	669	546	9,626	11,525	(11,525)	-
Total	69,566	142,592	21,993	18,289	252,442	(11,525)	240,917
Operating expenses	82,103	127,069	21,483	19,990	250,646	(11,396)	239,249
Operating income (loss)	(12,537)	15,523	510	(1,700)	1,795	(128)	1,667

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 (loss)	(10,083)	15,447	268	(448)	5,184	166	5,350

Amount Unit: 1 Million Yen

	Year ended March 31, 2003						
	Precision Equipment	Imaging Products	Instruments	Other	Total	Elimination or corporate	Consolidated
1. Net sales							
1)Outside	131,126	270,326	48,696	18,809	468,958	-	468,958
2)Intersegment sales/transfer	1,975	1,628	1,175	23,066	27,845	(27,845)	-
Total	133,101	271,955	49,871	41,875	496,804	(27,845)	468,958
Operating expenses	157,697	244,210	48,030	43,134	493,072	(28,300)	464,772
Operating income (loss)	(24,595)	27,744	1,841	(1,259)	3,731	454	4,186

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

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

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

Other ----- Sport Optics, Ophthalmic frames, Surveying instruments, etc.

Notes : The effect of the change of revenue recognition as described in Summary of significant Accounting Policies (7) was to increase operating loss in the Precision Equipment for the first half ended September 30, 2003 by 442 million yen, as compared with the amounts calculated by the prior method in the prior fiscal year.

(Summary for reference only)

Segment Information**2. Geographic Segments**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003						
	Japan	North America	Europe	Asia	Total	Elimination or Corporate	Consolidated
1. Net sales							
1)Outside	83,075	79,943	60,904	16,992	240,917	-	240,917
2)Intersegment sales/transfe	107,070	1,745	1,295	8,192	118,304	(118,304)	-
Total	190,146	81,689	62,200	25,185	359,222	(118,304)	240,917
Operating expenses	197,279	77,373	59,881	23,995	358,529	(119,279)	239,249
Operating income (loss)	(7,132)	4,316	2,318	1,190	692	974	1,667

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/transfe	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 (loss)	(5,239)	2,719	1,380	2,296	1,156	4,194	5,350

Amount Unit: 1 Million Yen

	Year ended March 31, 2003						
	Japan	North America	Europe	Asia	Total	Elimination or Corporate	Consolidated
1. Net sales							
1)Outside	179,721	158,675	100,611	29,949	468,958	-	468,958
2)Intersegment sales/transfe	218,900	1,740	237	15,287	236,166	(236,166)	-
Total	398,621	160,416	100,849	45,237	705,124	(236,166)	468,958
Operating expenses	405,862	154,713	101,270	42,676	704,522	(239,749)	464,772
Operating income (loss)	(7,240)	5,703	(420)	2,560	602	3,583	4,186

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 of revenue recognition as described in Summary of Significant Accounting Policies (7) was to decrease operating income in the segment of North America for the first half ended September 30, 2003 by 442 million yen, as compared with the amounts calculated by the prior method in the prior fiscal year.

(Summary for reference only)

Segment Information**3. Export sales**

Amount Unit: 1 Million Yen

	First Half ended September 30, 2003				
	North America	Europe	Asia	Other	Total
Export sales(A)	78,910	60,534	35,960	2,040	177,445
Net sales(B)					240,917
(A)/(B)	32.8%	25.1%	14.9%	0.8%	73.6%

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

	Year ended March 31, 2003				
	North America	Europe	Asia	Other	Total
Export sales(A)	157,163	100,577	76,864	12,849	347,454
Net sales(B)					468,958
(A)/(B)	33.5%	21.4%	16.4%	2.7%	74.0%

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 of revenue recognition as described in Summary of Significant Accounting Policies (7) was not material to net sales of North America for the first half ended September 30, 2003 as compared with the amounts calculated by the prior method in the prior fiscal year

Marketable Securities (Consolidated)

1. Fair Value of Available-for-sale securities

Amount Unit: 1 Million Yen

	As of September 30, 2003			As of September 30, 2002			As of March 31, 2003		
	Cost	Fair Value	Net unrealized gains	Cost	Fair Value	Net unrealized gains	Cost	Fair Value	Net unrealized gains
1)Equity securities	39,385	41,187	1,801	38,924	40,627	1,703	39,291	33,367	(5,923)
2)Debt securities	47	47	0	47	47	0	49	49	0
Total	39,432	41,234	1,801	38,971	40,675	1,703	39,340	33,416	(5,923)

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

Amount Unit: 1 Million Yen

	As of September 30, 2003	As of September 30, 2002	As of March 31, 2003
	Carrying Amount	Carrying Amount	Carrying Amount
Available-for-sale securities			
Equity securities	5,320	3,723	4,116

Derivatives (Consolidated)

Amount Unit: 1 Million Yen

Classification	Type	As of September 30, 2003			As of September 30, 2002			As of March 31, 2003		
		Contract or Notional Amount	Fair Value	Net unrealized gain (loss)	Contract or Notional Amount	Fair Value	Net unrealized gain (loss)	Contract or Notional Amount	Fair Value	Net unrealized gain (loss)
Currency	Forward exchange contracts									
	Selling positions	24,771	23,584	1,186	35,001	35,489	(488)	34,130	34,590	(460)
	Buying positions	3,091	3,079	(11)	14,172	14,559	387	13,471	13,702	231
Currency	Currency option contracts									
	Selling positions	445			-	-	-	-	-	-
	Option premiums	5	6	(1)	-	-	-	-	-	-
	Buying positions	1,385			-	-	-	-	-	-
	Option premiums	41	70	29	-	-	-	-	-	-
Interest rate	Interest swap agreements	30,000	(29)	(29)	50,000	77	77	30,000	89	89
	Total	-	-	1,174	-	-	(24)	-	-	(140)

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



First Half ended September 30, 2003 Financial Results (Non-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, 2003: November 11, 2003

1. Results of First Half ended September 30, 2003 (From April 1, to September 30, 2003)

(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, 2003	¥161,362	3.6%	¥(7,382)	-%	¥(5,133)	-%
First Half ended September 30, 2002	¥155,791	(10.6)%	¥(8,692)	-%	¥(9,952)	-%
Year ended March 31, 2003	¥342,626		¥(9,826)		¥(12,564)	

	Net Income	Change	Net Income per share of Common Stock (Yen)
First Half ended September 30, 2003	¥(357)	-%	¥(0.97)
First Half ended September 30, 2002	¥(11,439)	-%	¥(30.94)
Year ended March 31, 2003	¥(9,706)		¥(26.26)

(Note) 1. Average number of Shares outstanding: First Half ended September 30, 2003 :369,383,207 Shares

First Half ended September 30, 2002 :369,774,850 Shares

Year ended March 31, 2003 :369,650,771 Shares

2. Change in accounting method : N/A

3. Percent Increase(Decrease): First Half ended September 30, 2003/First Half ended September 30, 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, 2003	¥0.00	-
First Half ended September 30, 2002	¥0.00	-
Year ended March 31, 2003	-	¥0.00

(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, 2003	¥483,316	¥141,050	29.2%	¥381.87
First Half ended September 30, 2002	¥494,842	¥139,955	28.3%	¥378.52
Year ended March 31, 2003	¥471,148	¥136,873	29.1%	¥370.53

(Note)1. Number of Shares outstanding as of September 30, 2003 :369,366,108 shares

as of September 30, 2002 :369,741,496 shares

as of March 31, 2003 :369,395,251 shares

2. Number of Shares outstanding held as Treasury stock : as of September 30, 2003 :579,224 Shares

as of September 30, 2002 :203,836 shares

as of March 31, 2003 :550,081 shares

2. Forecast for Year ended March 31, 2004 (From April 1, 2003 to March 31, 2004)

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, 2004	¥383,000	¥(2,500)	¥2,500	¥4.00 (¥4.00)

Ref. Expected net income per share of common stock for year ended March 31, 2004: 6.77 Yen

Non-Consolidated Balance Sheets

Amount Unit : 1Million Yen

	As of September 30, 2003		As of September 30, 2002		As of March 31, 2003	
		%		%		%
[Assets]						
1. Current Assets						
Cash and time deposits	6,766		12,661		7,305	
Notes receivable	698		41,819		27,528	
Accounts receivable	98,404		72,215		86,686	
Inventories	152,861		158,533		140,015	
Short-term loans receivable	26,465		18,203		23,731	
Other current assets	22,794		16,791		19,971	
Allowance for doubtful receivables	(557)		(1,707)		(509)	
Total current assets	307,434	63.6	318,516	64.4	304,731	64.7
2. Fixed Assets						
Tangible fixed assets	71,699		74,500		73,010	
Buildings	22,281		20,936		23,003	
Machinery and equipment	26,293		25,495		26,035	
Other tangible fixed assets	23,125		28,067		23,970	
Intangible fixed assets	7,902		6,161		6,304	
Investments and other assets	96,279		95,663		87,101	
Investment securities	46,407		44,169		37,327	
Investments in subsidiaries and associated companies	23,613		23,230		22,646	
Other	26,311		28,687		27,246	
Allowance for doubtful receivables	(53)		(423)		(117)	
Total fixed assets	175,882	36.4	176,325	35.6	166,417	35.3
Total assets	483,316	100.0	494,842	100.0	471,148	100.0

Non-Consolidated Balance Sheets

Amount Unit : 1Millon Yen

	As of		As of		As of	
	September 30, 2003		September 30, 2002		March 31, 2003	
		%		%		%
[Liabilities]						
1. Current Liabilities						
Notes payable	603		710		468	
Accounts payable	84,869		88,925		76,456	
Short-term bank loans	42,450		40,450		39,150	
Current portion of long-term debt	630		748		376	
Commercial papers	20,000		25,000		13,000	
Current portion of bonds	20,000		20,000		20,000	
Accrued expenses	11,181		11,392		12,057	
Accrued income taxes	46		341		42	
Provision for warranty	1,632		1,355		1,639	
Other current liabilities	14,367		22,427		16,293	
Total current liabilities	195,782	40.5	211,352	42.7	179,484	38.1
2. Long-term Liabilities						
Bonds	121,000		121,000		131,000	
Long-term debt	6,654		5,981		6,046	
Liability for severance indemnities	18,076		15,782		16,972	
Other long-term liabilities	752		770		771	
Total long-term liabilities	146,483	30.3	143,534	29.0	154,790	32.8
Total liabilities	342,266	70.8	354,886	71.7	334,274	70.9
[Shareholders' Equity]						
1. Common stock	36,660	7.6	36,660	7.4	36,660	7.8
2. Capital surplus	51,924	10.7	51,924	10.5	51,924	11.0
3. Retained earnings	52,012	10.8	50,637	10.2	52,370	11.1
4. Unrealized gains on securities	1,030	0.2	974	0.2	(3,537)	(0.7)
5. Treasury stock	(578)	(0.1)	(241)	(0.0)	(544)	(0.1)
Total shareholders' equity	141,050	29.2	139,955	28.3	136,873	29.1
Total Liabilities and Shareholders' Equity	483,316	100.0	494,842	100.0	471,148	100.0

Non-Consolidated Statements of Operations

Amount Unit : 1Million Yen

	First Half ended September 30, 2003		First Half ended September 30, 2002		Year ended March 31, 2003	
		%		%		%
1. Operating revenues						
Net sales	161,362	100.0	155,791	100.0	342,626	100.0
2. Operating cost and expenses						
Cost of sales	133,220	82.6	129,595	83.2	282,015	82.3
Selling, general and administrative expenses	35,524	22.0	34,888	22.4	70,437	20.6
3. Operating income (loss)	(7,382)	(4.6)	(8,692)	(5.6)	(9,826)	(2.9)
4. Non-operating income	5,187	3.2	4,114	2.6	9,886	2.9
Interest income	90		56		121	
dividend income	2,850		1,761		4,797	
Other income	2,246		2,296		4,967	
5. Non-operating expenses	2,938	1.8	5,374	3.4	12,624	3.7
Interest expenses	134		164		297	
Interest expenses on bonds	803		905		1,788	
Loss on disposals of inventories	199		317		2,000	
Write-down of inventories	942		1,829		4,476	
Other expenses	857		2,158		4,062	
6. Ordinary income (loss)	(5,133)	(3.2)	(9,952)	(6.4)	(12,564)	(3.7)
7. Special gains	4,641	2.9	986	0.6	10,786	3.1
Gains on sales of fixed assets	2,592		986		9,251	
Gains on sales of investment securities	2,048		-		1,535	
8. Special losses	318	0.2	10,089	6.4	12,847	3.7
Losses on disposal of fixed assets	273		189		307	
Losses on sales of fixed assets	2		1		11	
Losses on sales of investment securities	39		495		2,036	
Losses on devaluation of investment securities	2		336		626	
Losses on devaluation of investments in subsidiaries and associated companies	-		334		918	
Provision for losses on doubtful receivables	-		35		53	
Provision for losses on doubtful loans receivable to subsidiaries and associated companies	-		-		193	
Losses on devaluation of the golf club membership	-		10		14	
Additional retirement benefits paid to employees	-		8,685		8,685	
9. Income (loss) before income taxes	(810)	(0.5)	(19,055)	(12.2)	(14,625)	(4.3)
10. Income taxes-current	213	0.1	643	0.4	1,195	0.3
11. Income taxes-deferred	(666)	(0.4)	(8,259)	(5.3)	(6,114)	(1.8)
12. Net income (loss)	(357)	(0.2)	(11,439)	(7.3)	(9,706)	(2.8)
13. Retained earnings brought forward	4,469		2,413		2,413	
14. Unappropriated retained earnings (loss) at end	4,112		(9,025)		(7,292)	

Sales Performance (Non-Consolidated)

Amount Unit : 1Million Yen

Segment	First Half ended September 30, 2003		First Half ended September 30, 2002		Year ended March 31, 2003	
	Amount	%	Amount	%	Amount	%
Precision Equipment	38,992	24.1	43,647	28.0	103,667	30.3
Imaging Products	108,896	67.5	98,911	63.5	210,227	61.4
Instruments	11,417	7.1	11,546	7.4	23,814	6.9
Other	2,055	1.3	1,686	1.1	4,916	1.4
Total	161,362	100.0	155,791	100.0	342,626	100.0
Domestic	46,226	28.6	43,208	27.7	87,922	25.7
Export	115,135	71.4	112,583	72.3	254,703	74.3