



Financial Results for the Year Ended March 31, 2011

Conference in Tokyo (May 12, 2011)
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 Year Ended March 31,2011
- II . Estimation for the Year Ending March 31,2012
- III . Reference Data

Financial Highlights for the Year Ended March 31, 2011



Billions of yen	10/3 (A)	1H 2H	Previous Forecast as of Feb 3rd (B)	1H 2H	11/3 Actual (C)	1H 2H	Change (C) - (A)	Change (C) - (B)
Net Sales	785.5	<u>368.1</u> 417.4	870.0	<u>398.0</u> 472.0	887.5	<u>398.0</u> 489.5	+102.0	+17.5
Operating Income % vs Net Sales	-13.9 -%	<u>-19.5</u> 5.6	48.0 5.5%	<u>15.2</u> 32.8	54.1 6.1%	<u>15.2</u> 38.9	+68.0	+6.1
Ordinary Income % vs Net Sales	-15.3 -%	<u>-22.3</u> 7.0	49.0 5.6%	<u>17.8</u> 31.2	55.8 6.3%	<u>17.8</u> 38.0	+71.1	+6.8
Net Income % vs Net Sales	-12.6 -%	<u>-17.7</u> 5.1	30.0 3.4%	<u>10.6</u> 19.4	27.3 3.1%	<u>10.6</u> 16.7	+39.9	- 2.7
FCF	56.4		67.0		100.0		+43.6	+33.0
Exchange Rate (yen) US\$ EURO	93 131	<u>96</u> 90 <u>133</u> 129	85 112	<u>89</u> 81 <u>114</u> 111	86 113	<u>89</u> 82 <u>114</u> 112	Impact on Net Sales: - 62.0 Op. Income: - 27.7	Impact on Net Sales: + 6.7 Op. Income: + 1.4

Increased sales helped returning to profitability while absorbing impacts by yen appreciation and March 11 Disaster. Regained profitability was brought by Imaging Company's continued brisk sales and recovery of Precision Equipment and Instruments Companies.

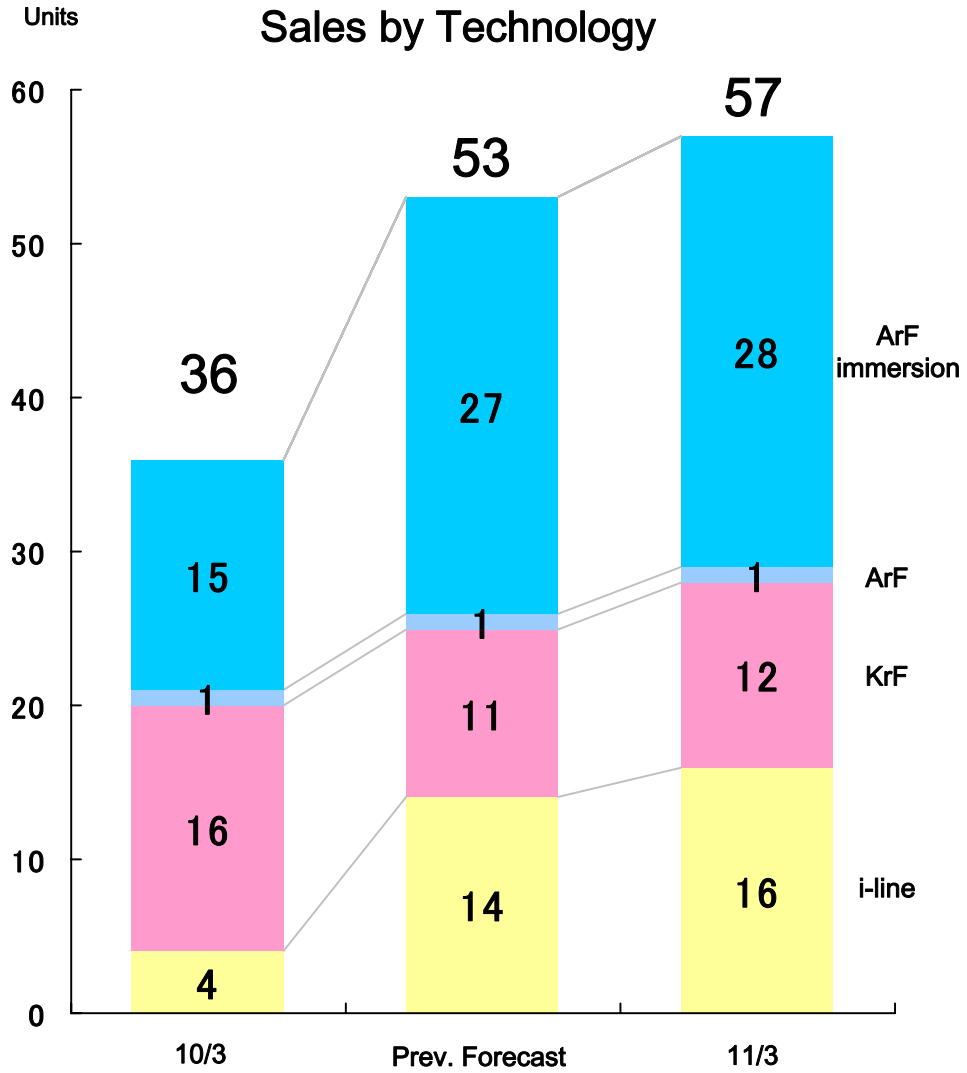
*Previous forecast was announced on February 3, 2011.

Billions of yen	10/3 Actual	1H 2H	Previous Forecast As of Feb. 3rd	1H 2H	11/3 Actual	1H 2H
Net Sales	150.1	$\frac{66.3}{83.8}$	215.0	$\frac{80.7}{134.3}$	208.6	$\frac{80.7}{127.9}$
Operating Income % vs Net Sales	-58.6 -%	$\frac{-44.0}{-14.6}$	4.0 1.9%	$\frac{-4.7}{8.7}$	2.7 1.3%	$\frac{-4.7}{7.4}$
IC Steppers & Scanners, New / Refurbished	36/13 units	$\frac{18/4}{18/9}$	53/24 units	$\frac{18/12}{35/12}$	57/25 units	$\frac{18/12}{39/13}$
LCD Steppers & Scanners	45 units	$\frac{16}{29}$	62 units	$\frac{23}{39}$	57 units	$\frac{23}{34}$
IC Steppers & Scanners Market Scale	112 units		Approx. 220 units		280 units	
LCD Steppers & Scanners Market Scale	74 units		Approx. 110 units		113 units	

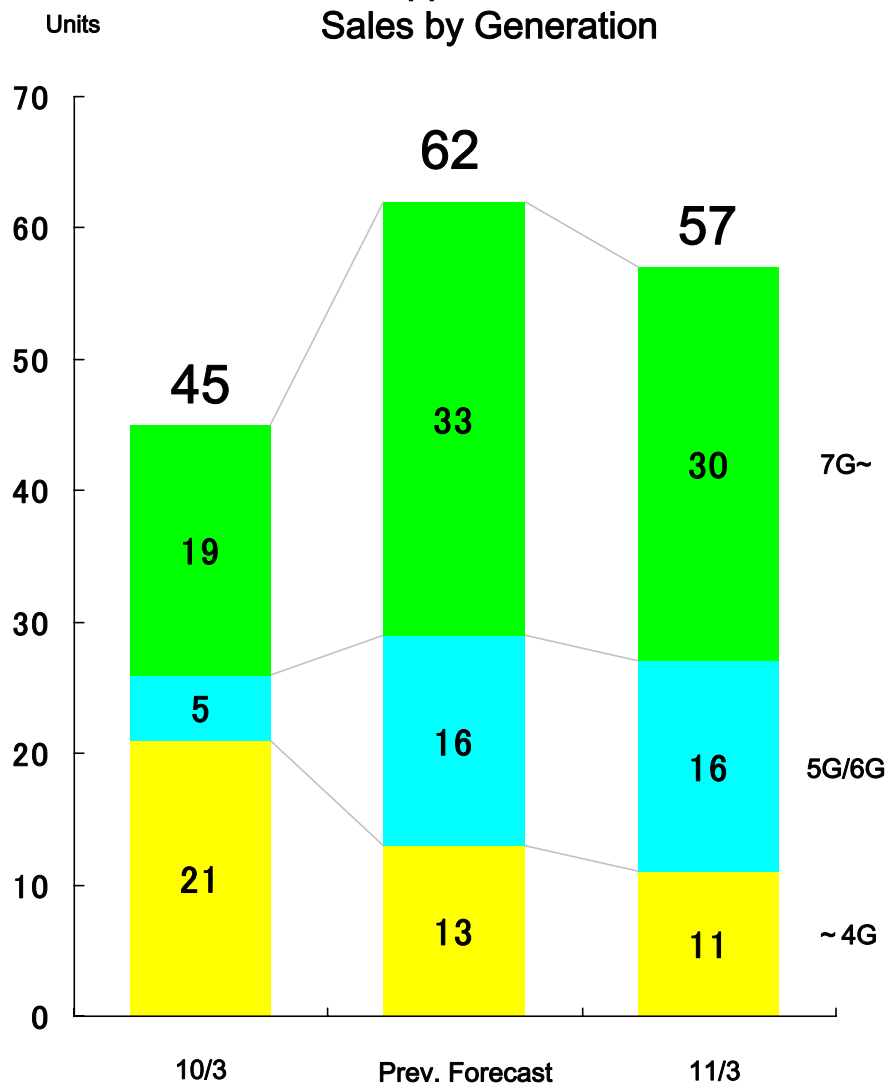
IC and LCD steppers/scanners increased sales volume. Write-down of inventory was substantially reduced from previous year's 40 billion yen, and that contributed to a sub-40% sales increase and a return to profitability.



IC Steppers & Scanners Sales by Technology



LCD Steppers & Scanners Sales by Generation



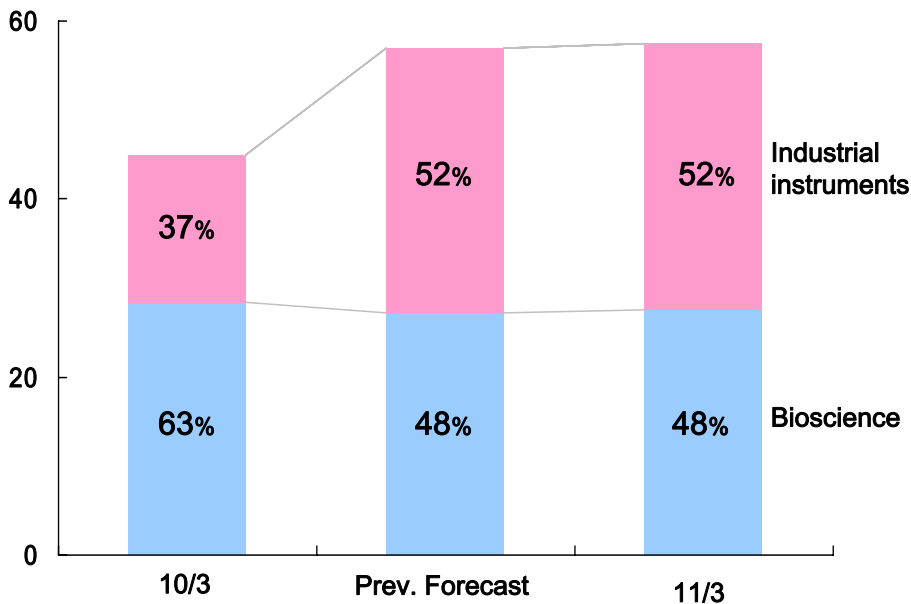
Billions of yen
Cameras & Lenses
(1,000 of units sold)

	10/3 Actual	1H 2H	Previous Forecast As of Feb. 3rd	1H 2H	11/3 Actual	1H 2H
Net Sales	569.5	<u>275.3</u> 294.2	575.0	<u>281.8</u> 293.2	596.4	<u>281.8</u> 314.6
Operating Income % vs Net Sales	52.1 9.1%	<u>26.5</u> 25.6	46.0 8.0%	<u>22.3</u> 23.7	52.3 8.8%	<u>22.3</u> 30.0
Single-lens Reflex DSC	3,670	<u>1,660</u> 2,010	4,250	<u>1,900</u> 2,350	4,290	<u>1,900</u> 2,390
Interchangeable Lenses	5,450	<u>2,450</u> 3,000	6,350	<u>2,950</u> 3,400	6,360	<u>2,950</u> 3,410
Compact DSC	11,510	<u>5,130</u> 6,380	14,000	<u>6,700</u> 7,300	14,260	<u>6,700</u> 7,560
SLR-DSC Market Scale	10,880		13,000		14,140	
IL Market Scale	17,720		22,000		23,270	
C-DSC Market Scale	102,740		112,000		107,410	

Net Sales and Operating Income both grew on year in spite of yen appreciation. SLR-DSC production and sales recovered in 4Q, while compact DSC enjoyed good sales throughout the year.

Billions of yen	10/3 Actual	1H 2H	Previous Forecast As of Feb. 3rd	1H 2H	11/3 Actual	1H 2H
Net Sales	45.1	$\frac{17.8}{27.3}$	57.0	$\frac{24.2}{32.8}$	57.5	$\frac{24.2}{33.3}$
Operating Income <small>% vs Net Sales</small>	-9.3 -%	$\frac{-2.6}{-6.7}$	-5.5 -%	$\frac{-4.1}{-1.4}$	-5.2 -%	$\frac{-4.1}{-1.1}$

Billions of yen



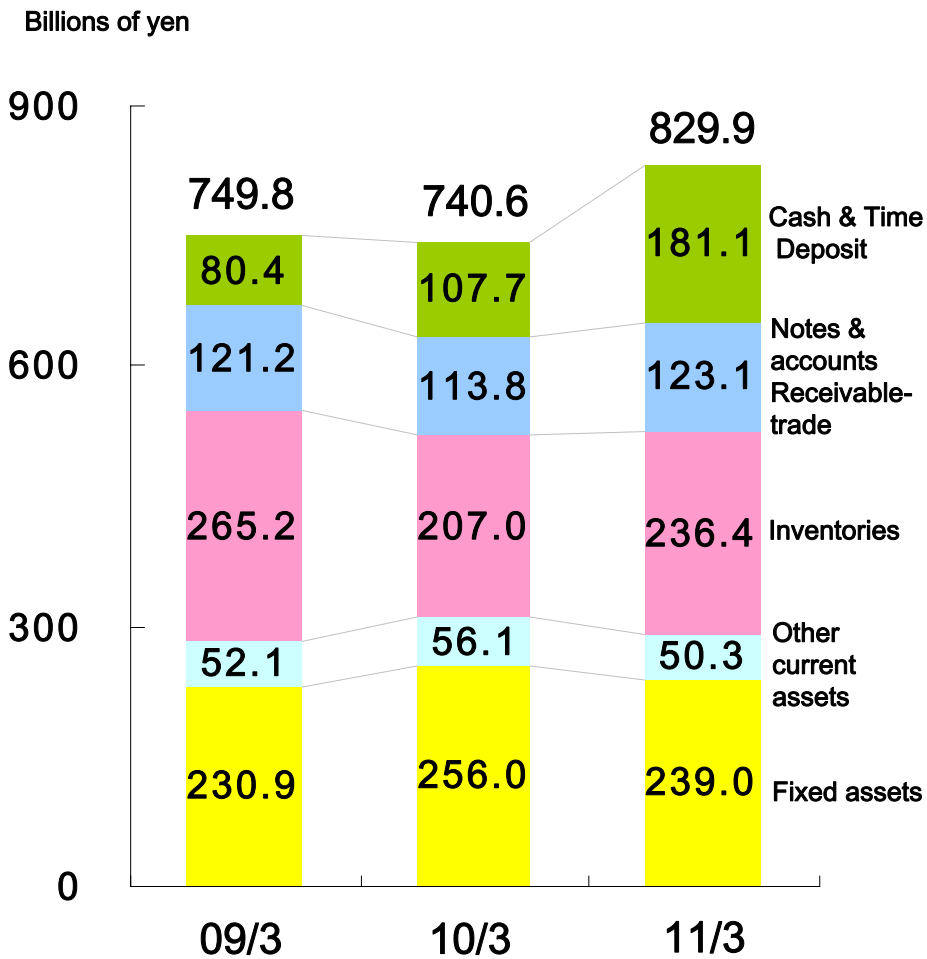
Recovery of industrial equipment business absorbed high yen impact, resulting in substantial sales increase and the operating loss slashed in half.

4Q posted the first profitable quarter in last 12 quarters.

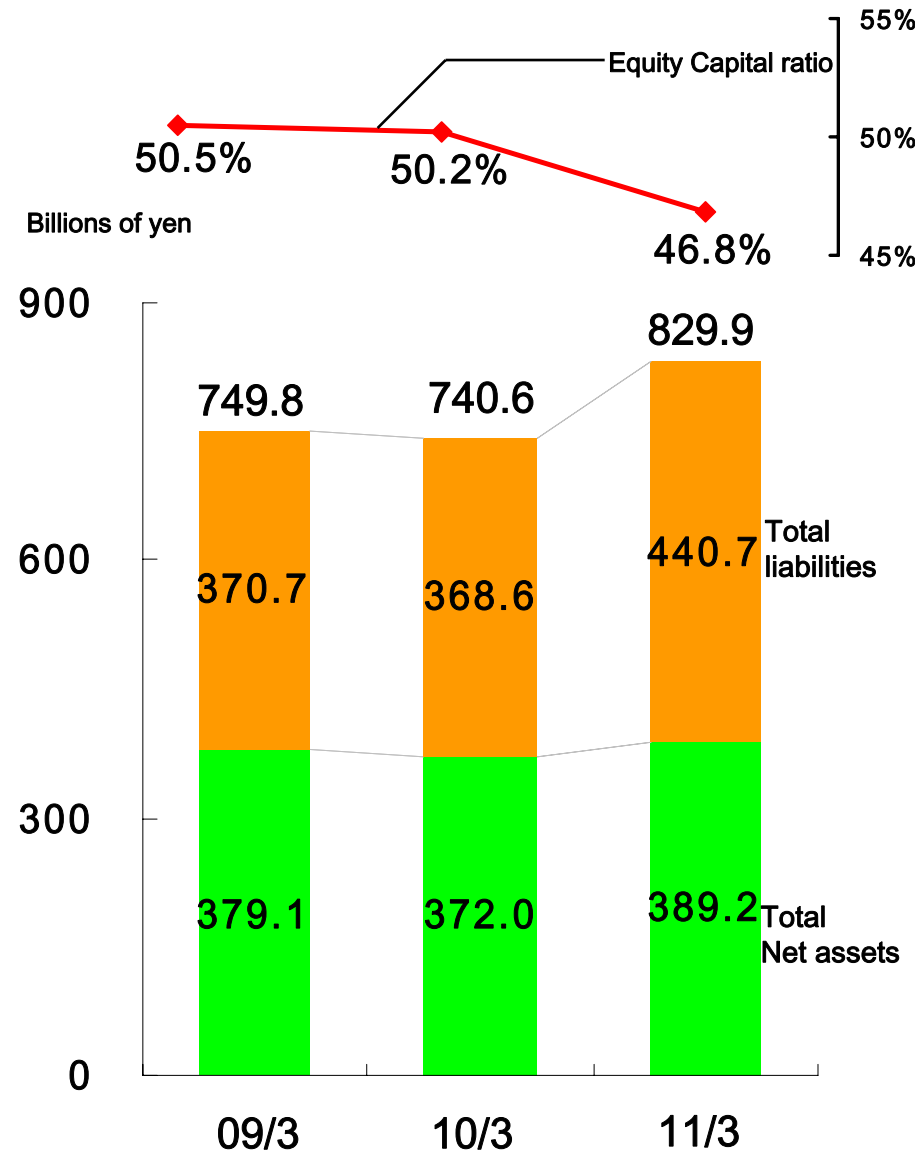
Balance Sheet



Assets



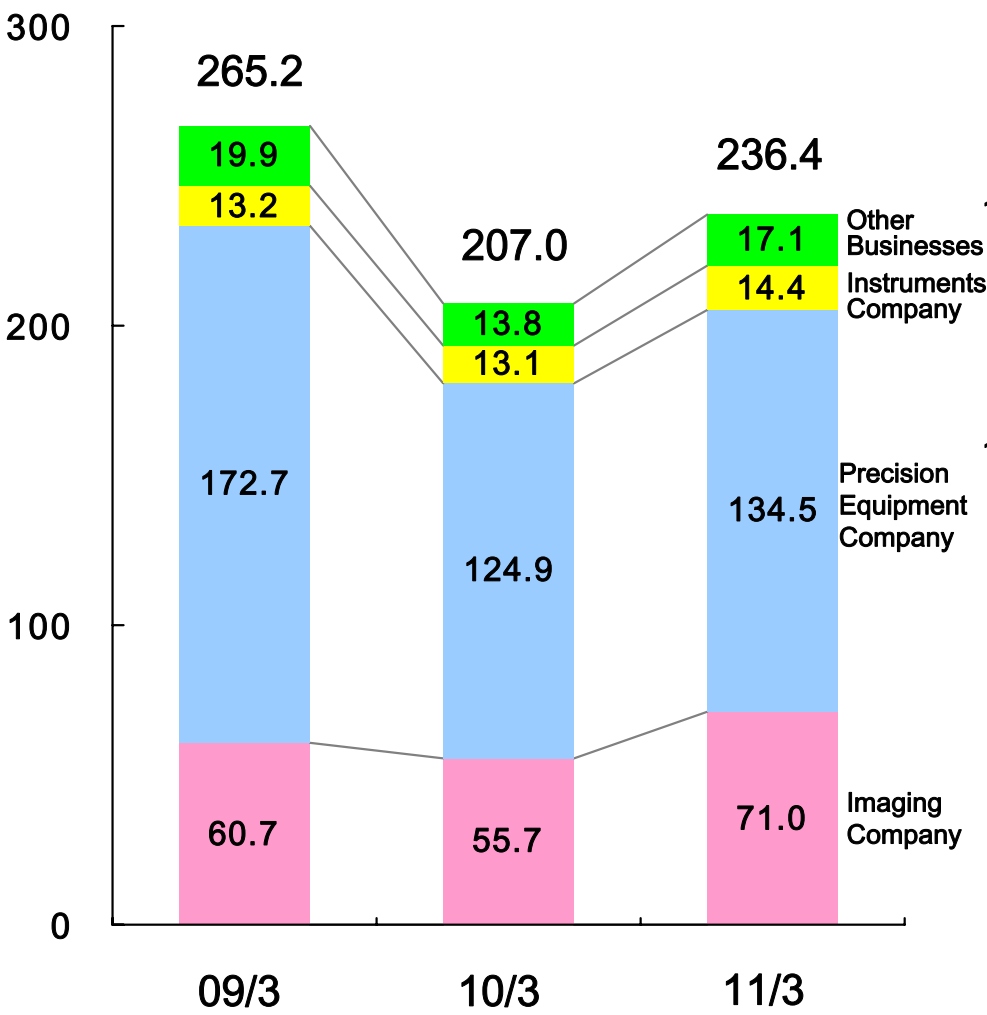
Liabilities & Equity





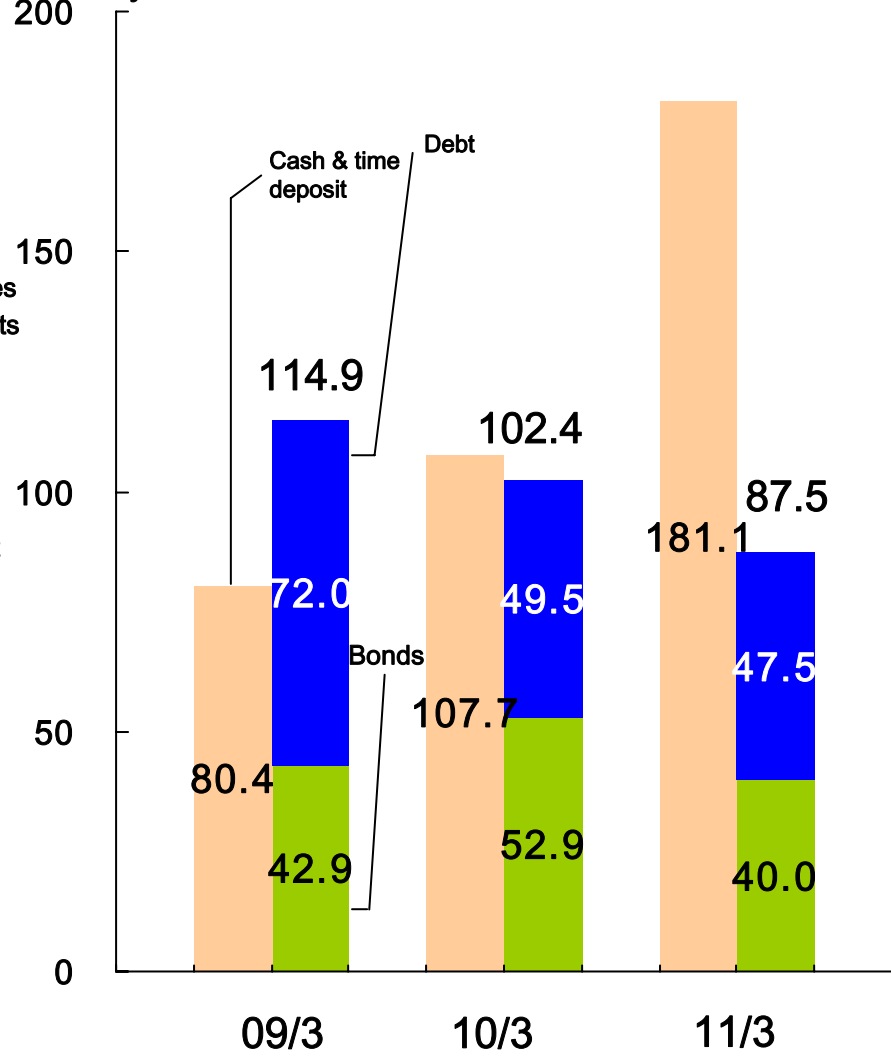
Inventories

Billions of yen



Interest-bearing Debt and Cash & Time Deposit

Billions of yen



Increased sales on year, regained profitability

Precision Equipment Company:

- Market recovery brought the whole year profitability as forecasted.
- ArF immersion scanner, S620D, achieved the target throughput of 200 w/h in February.

Imaging Company:

- Sales and operating income both increased in spite of yen appreciation and parts procurement difficulty.

Instruments Company:

- Recovery of industrial instruments business made 4Q the first profitable quarter in last 12 quarters.

Impacts by March11 Disaster

- Sales: -8 billion yen
- Operating income: -3 billion yen
- Extraordinary loss: 2.3 billion yen (equipment/inventory repair cost, shutdown loss)

Year-end cash dividend per share of common stock: 14 yen, annual dividend of 19 yen per share (dividend ratio 27.6%)

Agenda

- I . Financial Results for the Year Ended March 31,2011
- II . Estimation for the Year Ending March 31,2012
- III . Reference Data

Disaster damages and plant recoveries

- In Miyagi, Tochigi, and Ibaraki prefectures, 1 plant and 7 production companies shut down their operations.
- These plants gradually resumed operations by the end of March, now reaching the pre-disaster capacity.

Impact on supply chain

- Our parts supply chain was affected by the disaster. Full recovery is scheduled in this fall or later.
- FY2012 is expected to suffer sales reduction of 120 billion yen and operating income reduction of 30 billion yen.

Change in expense allocation method

- Until FY2011, the corporate expenses had been allocated to each Company. Starting FY2012, a part of corporate expenses will not be allocated (called “new allocation method” in following slides).

Estimation for the year ending March 31, 2012



Billions of yen	11/3 Actual	1H 2H	12/3 Estimation	1H 2H	Change
Net Sales	887.5	<u>398.0</u> 489.5	940.0	<u>435.0</u> 505.0	+ 52.5
Operating Income <small>% vs Net Sales</small>	54.1 6.1%	<u>15.2</u> 38.9	68.0 7.2%	<u>25.0</u> 43.0	+ 13.9
Ordinary Income <small>% vs Net Sales</small>	55.8 6.3%	<u>17.8</u> 38.0	70.0 7.4%	<u>26.0</u> 44.0	+ 14.2
Net Income <small>% vs Net Sales</small>	27.3 3.1%	<u>10.6</u> 16.7	42.0 4.5%	<u>16.0</u> 26.0	+ 14.7
FCF	100.0		50.0		- 50.0
Exchange Rate (yen) US\$ Euro	86 113	<u>89</u> 82 <u>114</u> 112	80 115		Financial Impact on Net Sales est. – 33.0 Financial Impact on Operating Income est. – 3.0

Although production and sales are limited due to post-disaster supply chain breakdown and the yen remains high in average, increase in both sales and operating income is expected with the conditions in the previous slide.

Estimation for Precision Equipment Company

Billions of yen	11/3 Actual		1H 2H		12/3 est.	1H 2H
Net Sales	208.6		$\frac{80.7}{127.9}$		265.0	$\frac{123.0}{142.0}$
Operating Income <small>% vs Net Sales</small>	2.7 <small>1.3%</small>	8.3* <small>4.0% *</small>	$\frac{-4.7}{7.4}$	$\frac{-2.0*}{10.3*}$	31.0 <small>11.7%</small>	$\frac{13.0}{18.0}$
IC Steppers & Scanners New / Refurbished	57/25 units		$\frac{18/12}{39/13}$		60/15 units	$\frac{25/8}{35/7}$
LCD Steppers & Scanners	57 units		$\frac{23}{34}$		82 units	$\frac{44}{38}$
IC Steppers & Scanners Market Scale	280 units				Approx. 280 units	
LCD Steppers & Scanners Market Scale	113 units				Approx. 120 units	

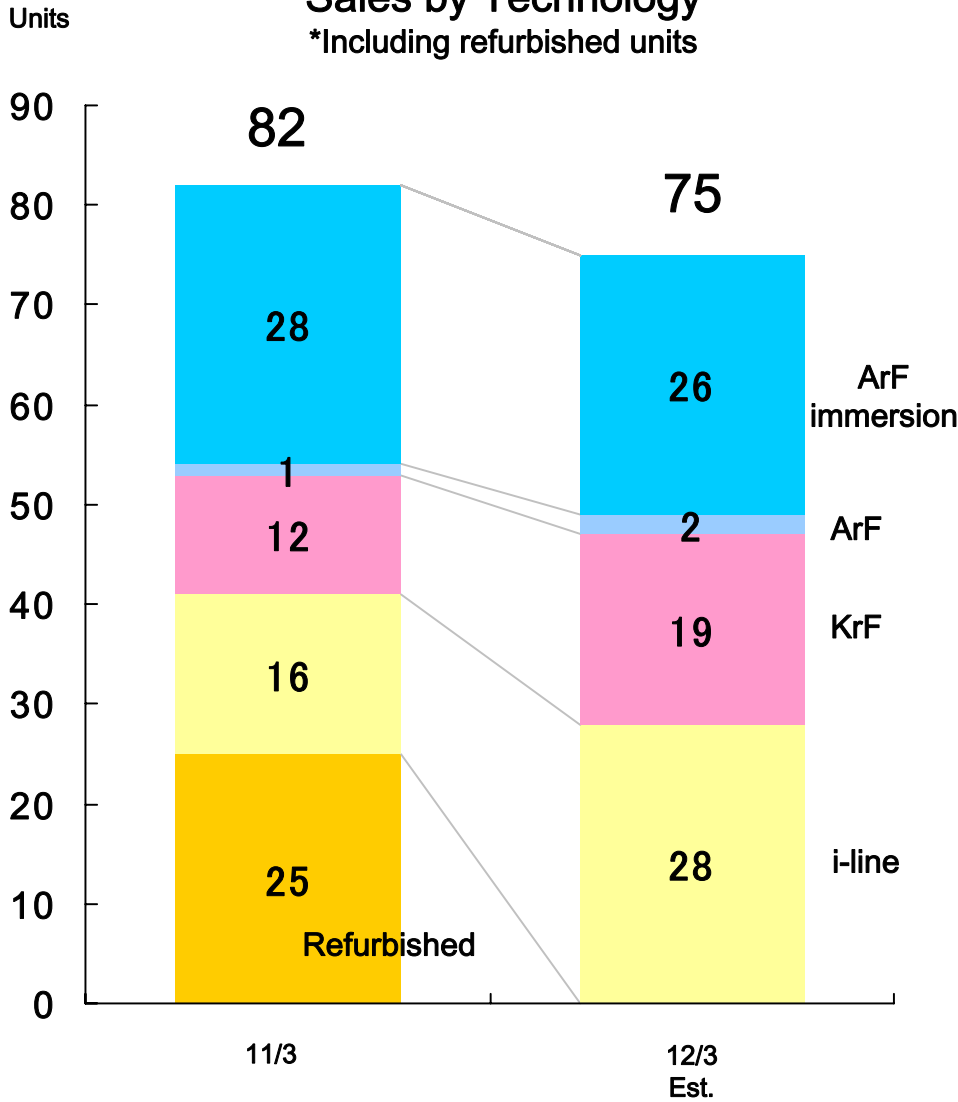
Market appetite of both IC and LCD steppers/scanners is expected flat: however, increased sales and substantial income hike are expected by improving profitability of IC steppers/scanners and increasing sales volume of LCD steppers/scanners.



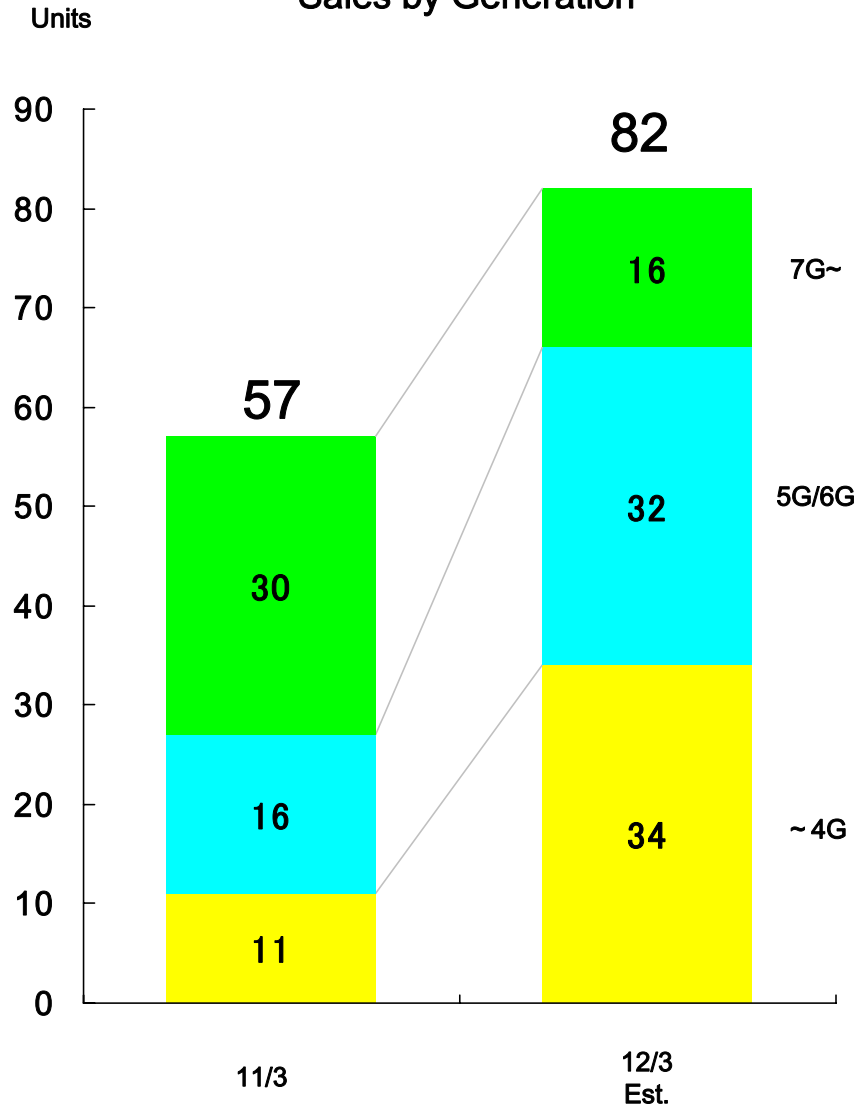
Estimation for Precision Equipment Company

IC Steppers & Scanners Sales by Technology

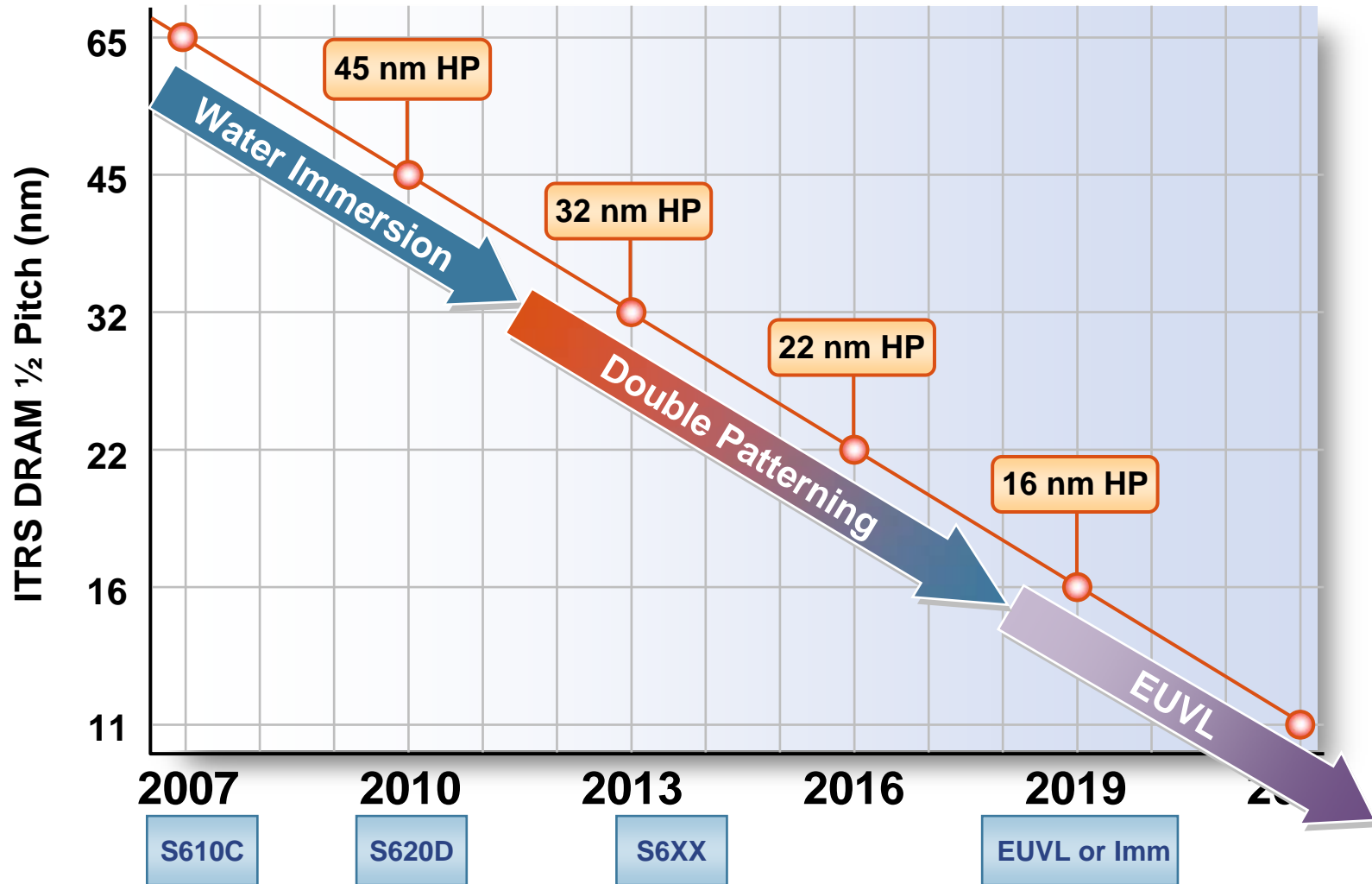
*Including refurbished units



LCD Steppers & Scanners Sales by Generation



Lithography Roadmap



Immersion lithography with double-patterning is applied up to 22 nm in volume production, while EUVL is applied to 16 nm and finer lines (mass production start in 2018).

Estimation for Imaging Company

Billions of yen Cameras & Lenses (1,000 of units sold)	11/3 Actual		1H 2H		12/3 est.	1H 2H
Net Sales	596.4		<u>281.8</u> 314.6		585.0	<u>275.0</u> 310.0
Operating Income <small>% vs Net Sales</small>	52.3 <small>8.8%</small>	61.4* <small>10.3% *</small>	<u>22.3</u> 30.0	<u>26.9*</u> 34.5*	53.0 <small>9.1%</small>	<u>24.0</u> 29.0
Single-lens Reflex DSC	4,290		<u>1,900</u> 2,390		Slight increase vs previous year	
Interchangeable Lenses	6,360		<u>2,950</u> 3,410		Slight increase vs previous year	
Compact DSC	14,260		<u>6,700</u> 7,560		Even with previous year	
SLR-DSC Market Scale	14,140				—	
IL Market Scale	23,270				—	
C-DSC Market Scale	107,410				—	

Demands are high and products are competitive: however, reduction in sales and operating income is forecasted due to limited productions/sales forced by difficult procurement, fiercer competition anticipated after supply chain recovery, and yen appreciation.

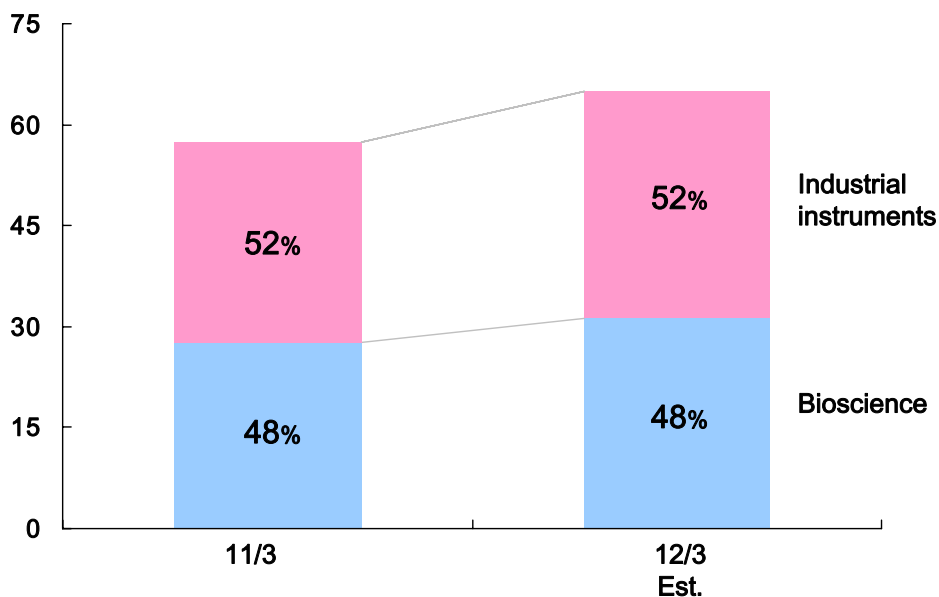
* Reference data: Calculated on the new method of allocating corporate expenses, applied from 12/3.

Estimation for Instruments Company

Billions of yen	11/3 Actual		1H 2H		12/3 est.	1H 2H
Net Sales	57.5		$\frac{24.2}{33.3}$		65.0	$\frac{26.0}{39.0}$
Operating Income <small>% vs Net Sales</small>	-5.2 -%	-3.8* -%	$\frac{-4.1}{-1.1}$	$\frac{-3.4*}{-0.4*}$	0.5 0.8%	$\frac{-2.5}{3.0}$

* Reference data: Calculated on the new method of allocating corporate expenses, applied from 12/3.

Billions of yen



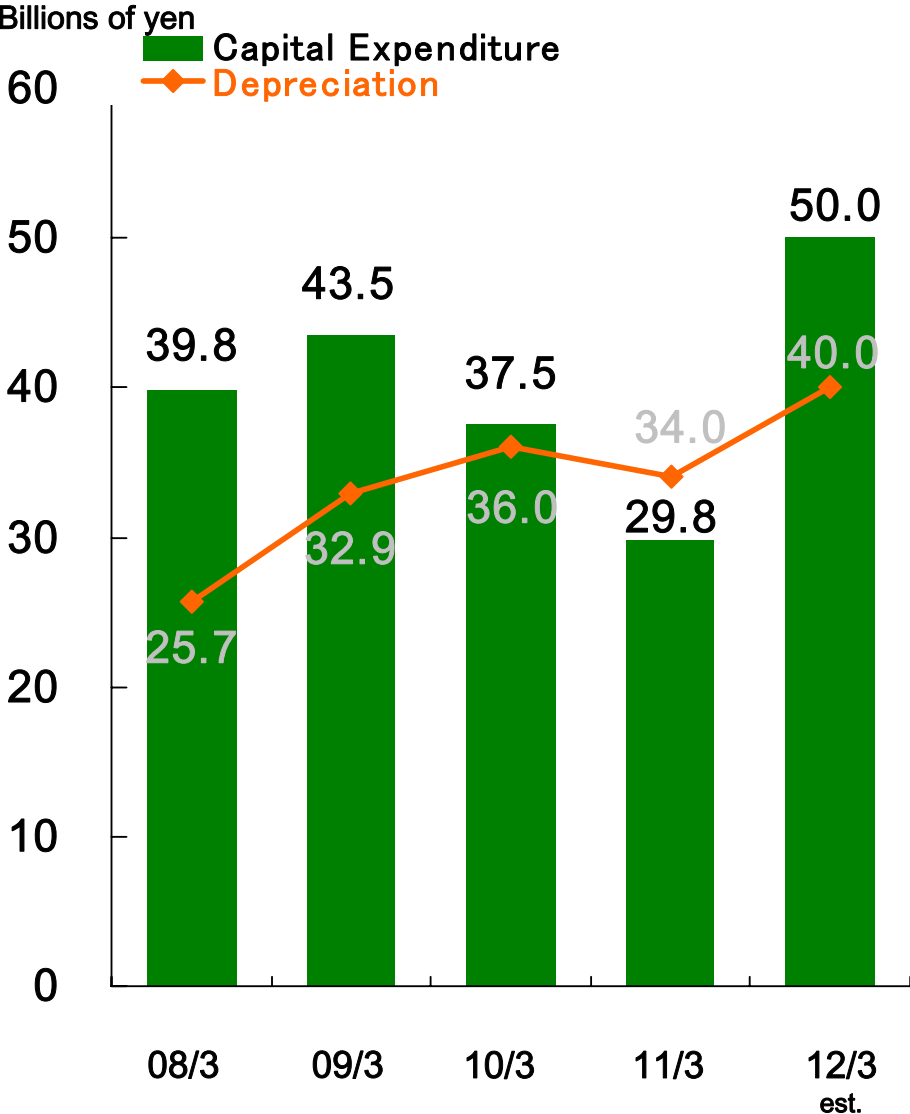
Profitability for the whole year is forecasted.

If the former expense allocation method was applied, however, the return to profitability would have been postponed one year because of the disaster impact.

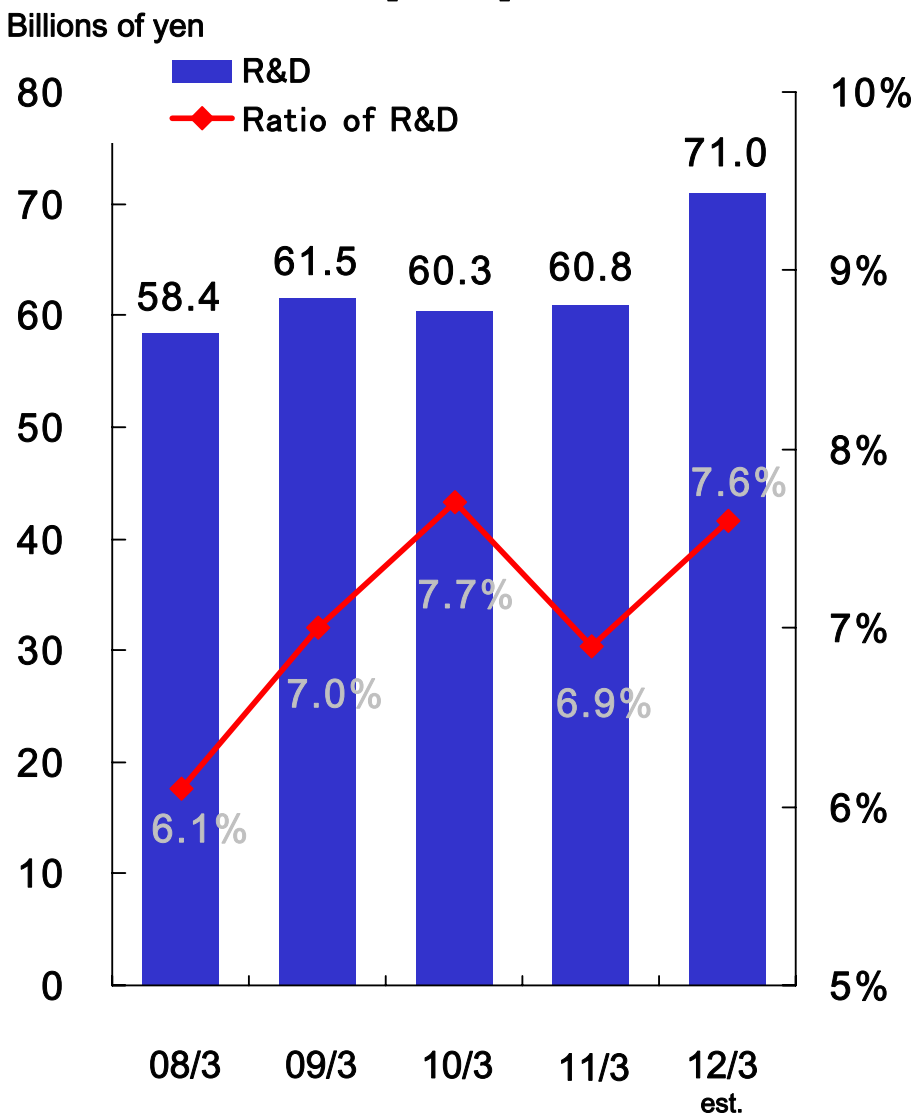
Estimation for Capital Expenditure, Depreciation and R&D



[Capital Expenditure & Depreciation]



[R&D]



* After 09/3 : Include the amount of acquisition of Lease asset by change of Accounting Standard for Lease Transactions

Although damages on our parts supply chain are substantial, both net sales and operating income are expected to increase with an assumption that the operations will normalize this fall or after.

Precision Equipment Company:

- Complete ArF immersion scanners, S620D.
- Promote further shortening of leadtime.
- Several tool sales are moved to next fiscal year, both for IC and LCD steppers/scanners.

Imaging Company:

- Develop emerging country markets and strengthen penetration into them.
- Develop new generation digital cameras.

Instruments Company:

- Develop high-end systems (bio-science) and non-contact 3D metrology systems (industrial).

Estimated annual cash dividend per share of common stock: 27 yen (interim dividend: 10 yen)

Agenda

- I . Financial Results for the Year Ended March 31,2011
- II . Estimation for the Year Ending March 31,2012
- III . Reference Data

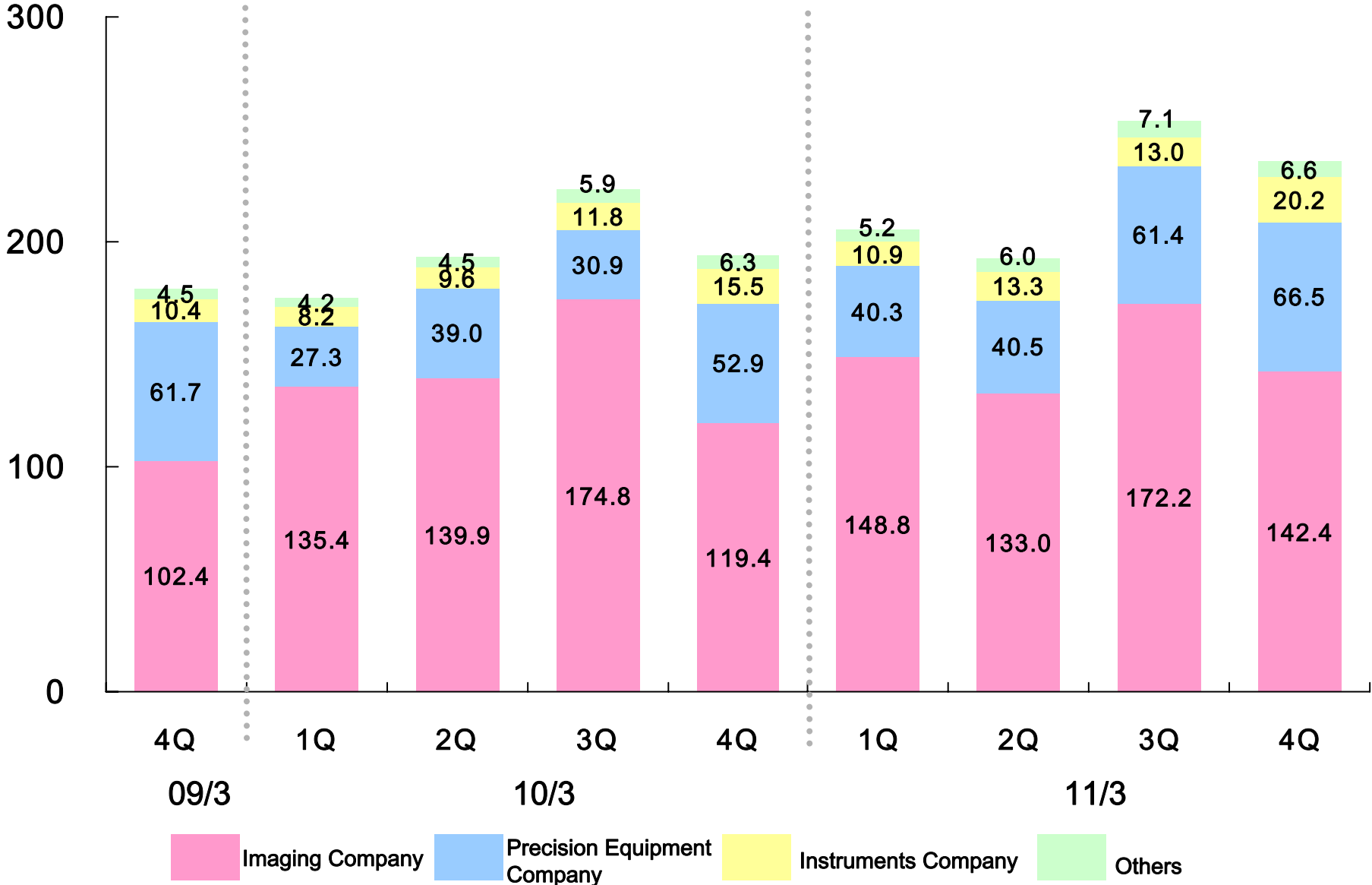
12/3 Estimation

Billions of yen	Exchange Rate	Financial Impact from Fluctuation by 1 yen	
	12/3 Forecast	Net Sales	Operating Income
US\$	80 yen	6.2	0.9
EURO	115 yen	2.0	1.4

Quarterly Net Sales by segment



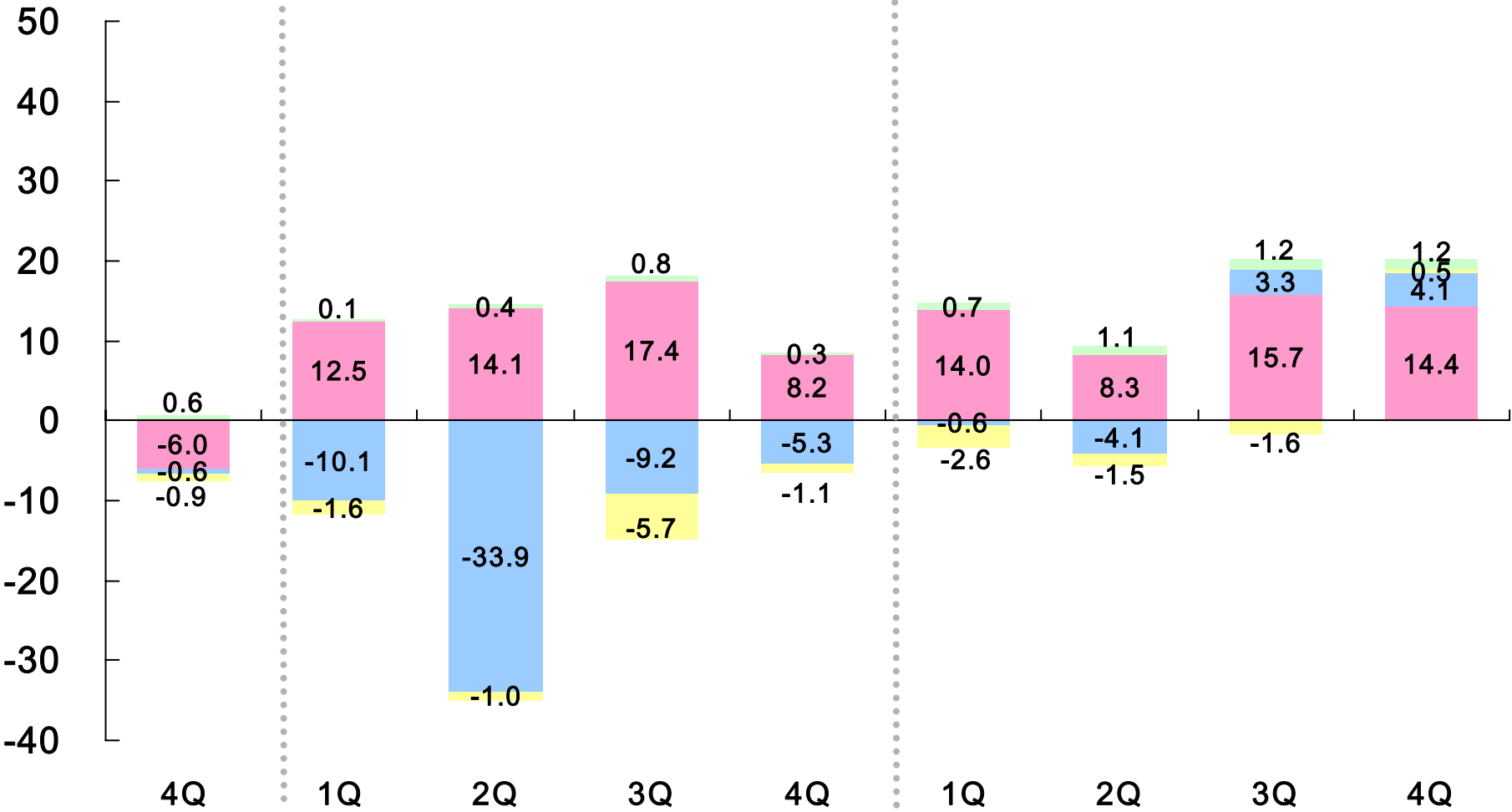
Billions of yen



Quarterly Operating Income by segment



Billions of yen



Imaging Company
 Precision Equipment Company
 Instruments Company
 Others



NIKON CORPORATION