



# Nikon Corporation

## Summary of Conference in Tokyo for Financial Results of the Year Ended March 31, 2004

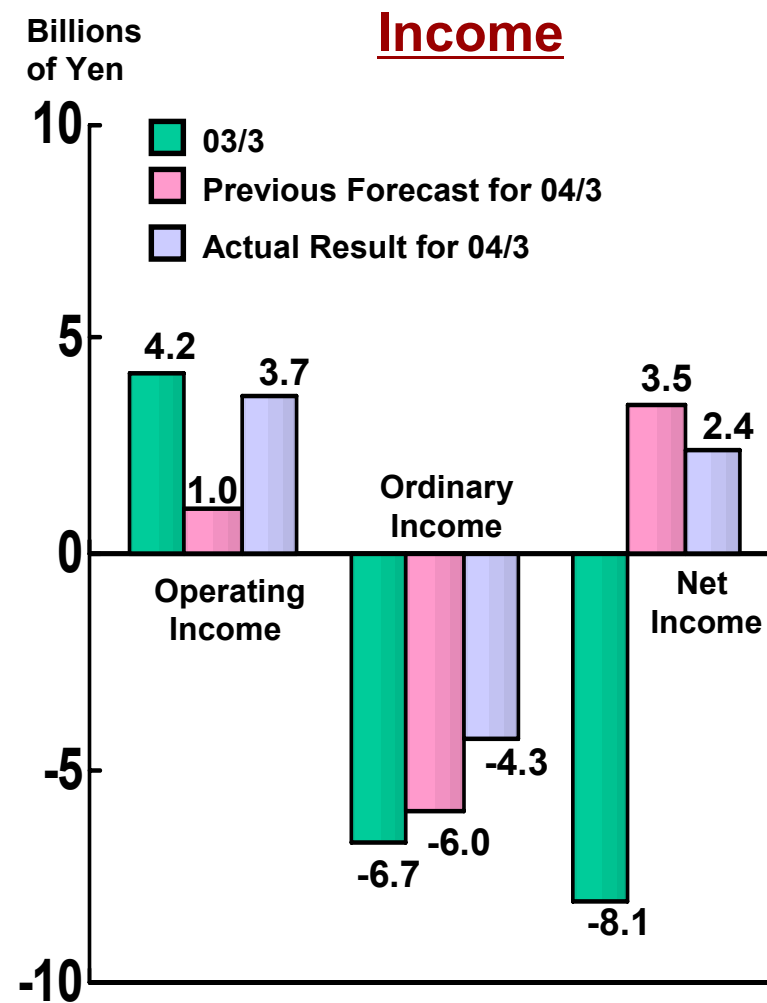
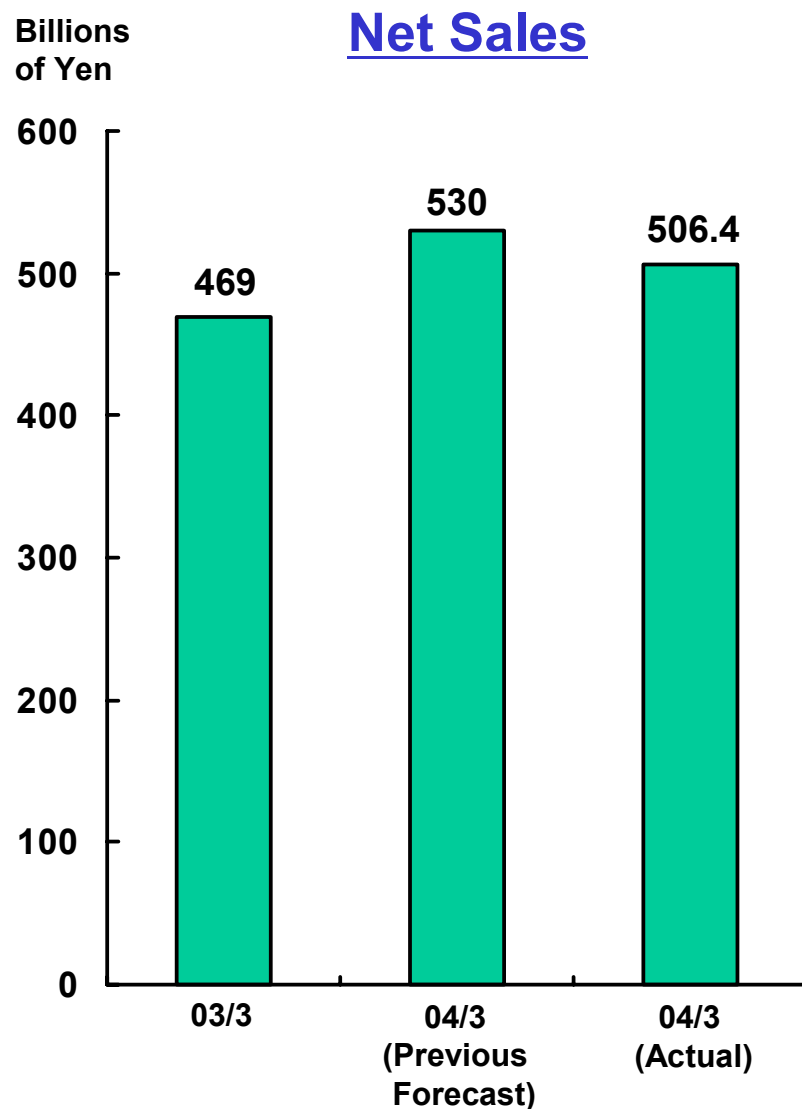
Forward-looking statements for earnings and other performance data contained herein are based on information currently available to the Company, and all potential risks and uncertainties are taken into account. The Company asks that investors understand that changes in conditions may cause actual performance to significantly differ from these projections.



# Financial Results for the Year Ended March 31, 2004

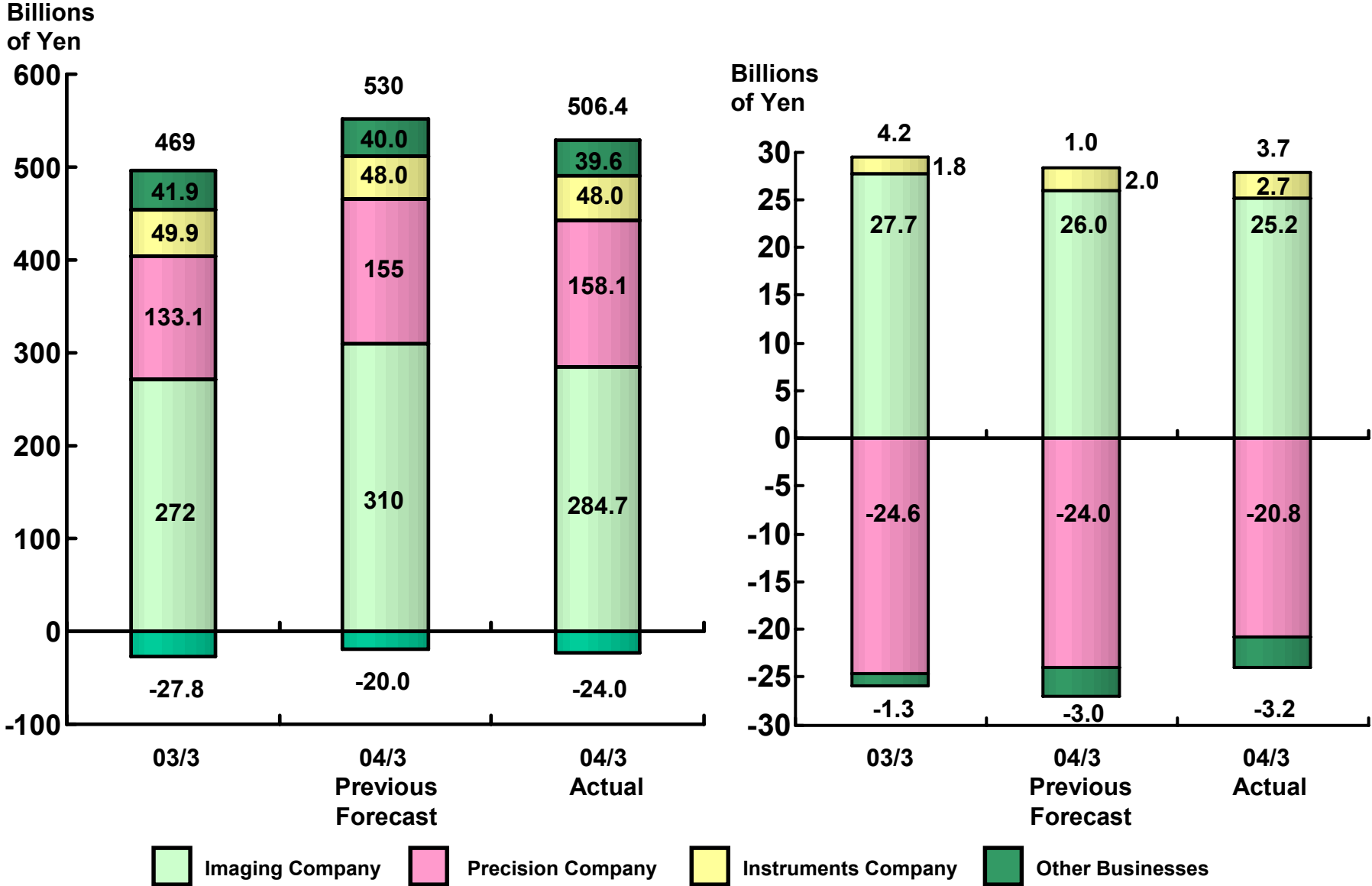


# Financial Highlights for the Year Ended March 31, 2004





# Sales and Operating Income by Segment





# Sales Volume of Steppers and Camera Shipments

## Steppers (units sold)

	03/3	04/3 Previous Forecast	04/3 Actual Result
New IC Steppers	143	162	159
Used IC Steppers	12	35	46
Total IC Steppers	155	197	205
LCD Steppers	37	49	52
<b>TOTAL</b>	<b>192</b>	<b>246</b>	<b>257</b>

## Cameras (10,000 of units sold)

	03/3	04/3 Previous Forecast	04/3 Actual Result
Digital Camera	336	550	540
Interchangeable Lenses	123	117	123
Film Single-Lens Reflex Camera	93	75	68
Film Compact Camera	130	69	60



## Summary for the Year Ended March 31, 2004 “A Year: Laying the Groundwork for Giant Strides”

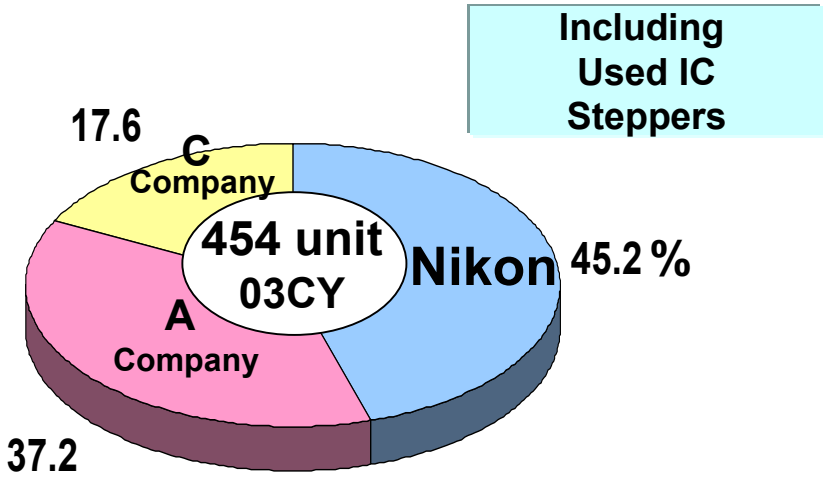
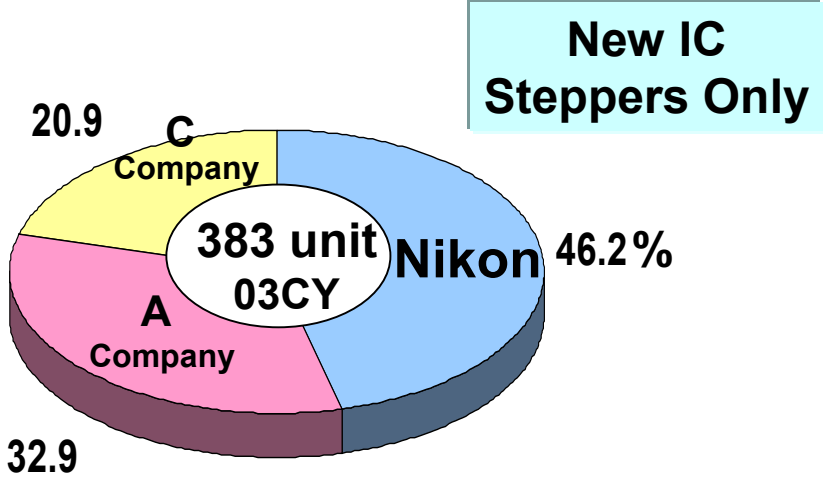
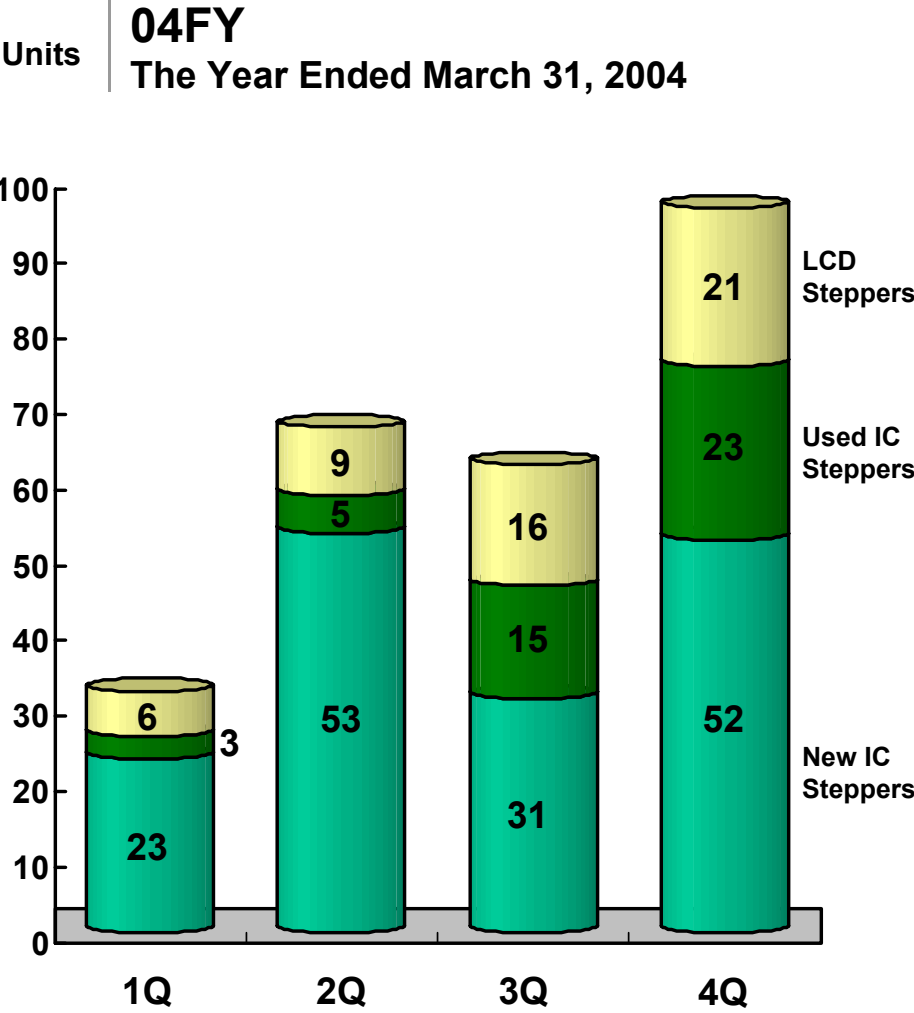
- **The increase in DSC sales resulted in the Company’s highest yet net sales.**
- **Operating income fell short of projections at the beginning of the period due to IC manufacturers postponing investment in the cutting edge technologies of the Precision Equipment Company, while the Imaging Company was adversely affected by increasing competition in the compact digital cameras and some procurement difficulties. However, improvements in the precision equipment business helped raise operating income beyond that of previous projections.**
- **The Imaging Company made investments in Thailand and China to increase the in-house production of DSCs and their lens units, thereby laying the groundwork for production costs reduction. In addition, the Imaging Company launched a affordably priced digital single-lens reflex Camera D70, which is selling very well, overtaking all competitive models.**
- **In the Precision Equipment Company, Nikon is outstripping its competitors in its pace of technological development of an immersion lithography that will extend the life span of ArF Steppers and that brings to the ultimate exposure technology of extreme ultraviolet lithography (EUVL). Nikon has also been working to reduce manufacturing periods, and all mass-produced models including i-line, KrF and ArF tools can now be completed in six months.**



# Reference Data for the Year Ended March 31, 2004



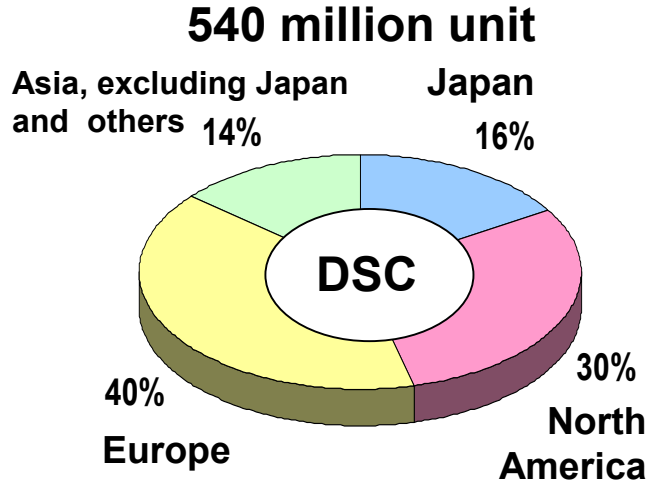
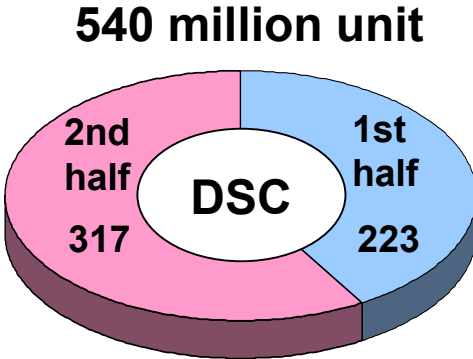
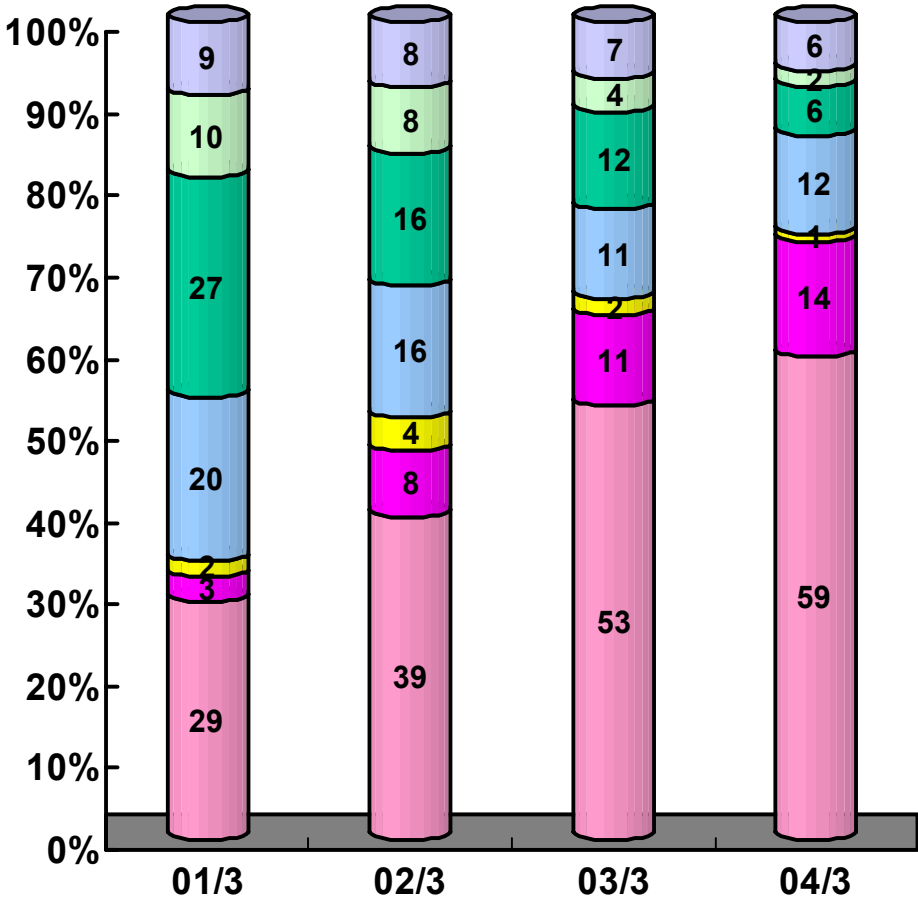
# Stepper Sales Volume and Market Share







# Imaging Company: Sales by Product, Semi-annual and Regional DSC Shipments



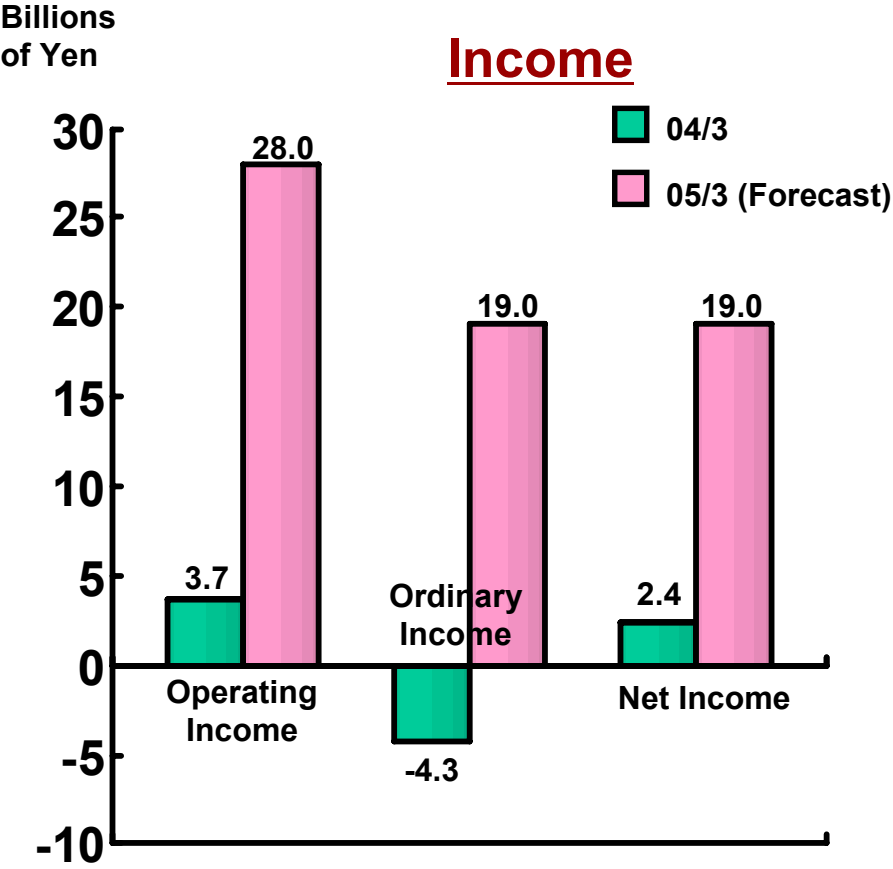
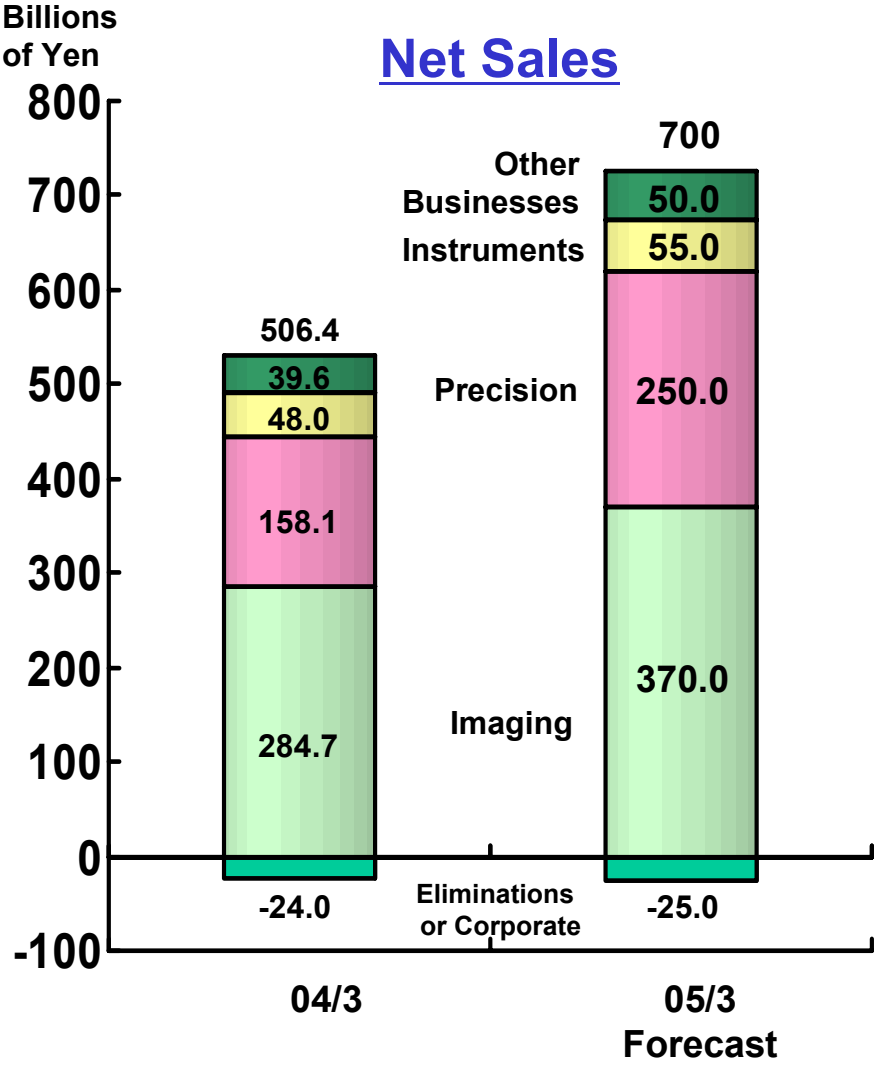
- Digital Compact
- Digital SLR
- Scanner
- Lens
- Film SLR
- Film Compact
- Others



# Forecasts for the Year Ending March 31, 2005



# Performance Forecasts for the Year Ending March 31, 2005





# Preconditions for Forecasts

(Foreign Exchange Rates, Market Scale, and Other Factors)

Foreign Exchange Rate		Impact Per ¥1 Deviation		
	Assumed Rate for the Year, Ending March 31, 2005	Net Sales	Operating Income	
US\$	¥107	¥1.64 billion	¥550 million	
Euro	¥128	¥1.23 billion	¥410 million	
Market Scale 04CY	New IC Steppers	Market Scale 05FY	DSC Compact	DSC Single-Lens Reflex
	LCD Steppers		60 million units	2.4 million units
	500 Units			
	160-180 Units			

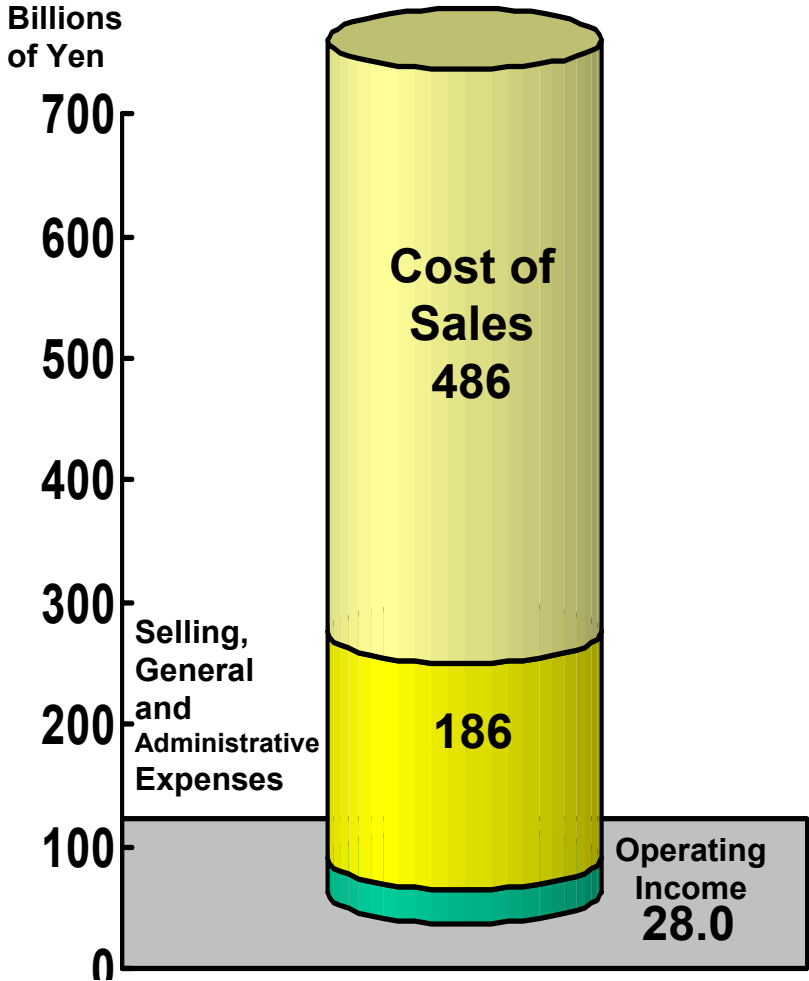
- In the Year Ending March 31, 2005, the market for film cameras is projected to contract by approximately 40% from the previous year.



# Earnings Forecasts for the Year Ending March 31, 2005

700

(320 in the 1st half, and 380 in the 2nd half  
 of the Year Ending March 31, 2005)



Operating Income	1st half	¥28 billion	¥4 billion
	2nd half		¥24 billion
Non-Operating Income		6.0	
Non-Operating Expenses		15.0	
Ordinary Income	1st half	¥19 billion	¥1 billion
	2nd half		¥18 billion
Extraordinary Income		4.0	
Income Taxes		4.0	
Net Income	1st half	¥19 billion	¥3 billion
	2nd half		¥16 billion



# Summary of Forecasts for the Year Ending March 31, 2005

## “A Year: Making a Turnaround for Giant Strides”

- **Nikon will expand sales of stepper and DSC and break all previous records for net sales.**
- **Operating income is forecast to be ¥28 billion with the Imaging Company in Strong profit level and the Precision Equipment Company returning profitable for the 1st time in three years.**
- **The Imaging Company will go on the offensive with its high-performance yet affordable digital single-lens reflex Camera D70, and will start producing compact DSC in its factory in Wuxi, China. In coming years, the Company plans to expand annual production to millions of units.**
- **At the Precision Equipment Company, Nikon will realize a clear advantage in dry and immersion ArF technology, and will promote structural reform. In addition, Nikon will increase LCD stepper production to take advantage of all business opportunities.**
- **Cash Stock dividends are forecast at ¥4 at the interim period, and ¥8 for the whole fiscal year.**