



Financial Results for the Year Ended March 31, 2012

Conference in Tokyo (May 10, 2012)

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.

Suspension and recovery of Nikon (Thailand) Co., Ltd. (NTC)

- Oct. 6, 2011: Suspended operations of NTC due to damages by floods.
- Nov. 30, 2011: Restarted partial deliveries of SLR cameras and interchangeable lenses thanks to alternative productions by Thai partner factories.
- Jan. 3, 2012 : Resumed partial operations in NTC.
- Jan.-Mar./2012: In addition to alternative productions by partner factories, NTC ramped up its production
- By the end of March, the combined production capacity of NTC and partner factories has reached the normal level.

Investment for equipment replacement and building repair, etc.

- Approx. 26 billion yen in total
 - 13 billion yen booked in FY2012/3
 - 13 billion yen estimated for FY2013/3

Extraordinary gain and loss due to Thai floods

- Amount booked in FY2012/3:
 - Extraordinary gain 15.9 billion yen (insurance proceeds)
 - Extraordinary loss 12.5 billion yen (fixed assets impairment, inventory disposal, compensation for suspension, etc.)
- Amount estimated for FY2013/3
 - Extraordinary gain 7 billion yen (insurance proceeds)

Agenda

- I . **Financial Results for the Year Ended March 31,2012**
- II . Estimation for the Year Ending March 31,2013
- III . Reference Data

Summary for the Year Ended March 31, 2012



- ◆ Year-on-year sales/income reductions of Imaging Company caused by Thai floods were compensated by Precision Company's sales hike and dramatic income increase, finishing the year with a slight hike in sales and substantial improvement in incomes.

Precision Equipment Company:

IC steppers/scanners improved competitiveness, while LCD steppers/scanners marked 50% rise in sales volume. Backed by earnings structure improvements, 19% sales hike and 5-fold income improvement were posted from last year.

Imaging Company:

In 1st half, all product groups sold well. In 2nd half, although SLR cameras were affected by Thai floods, new "Nikon 1" launch was successful. Compact camera continued to expand the market share throughout the year. These helped minimize the amount of sales/income reduction from the previous year.

Instruments Company:

The deficit amount reduced although sales slightly decreased year-on-year due to suspended/reduced government spending budget as well as restricted investment by semiconductor and electronic component makers.

◆ Extraordinary gain and loss

Extraordinary gain 15.9 billion yen (insurance proceeds)

Extraordinary loss 12.5 billion yen (fixed assets impairment caused by Thai floods, etc.)
6.5 billion yen (goodwill impairment in instruments business)

- ◆ Dividend at FY end: 21 yen; annual dividend: 38 yen (up 19 yen)

Financial Highlights for the Year Ended March 31, 2012



Billions of yen	11/3 (A)	1H 2H	Previous est. as of Feb. 3 (B)	1H 2H	12/3 Actual (C)	1H 2H	Change (C)-(A)	Change (C)-(B)
Net Sales	887.5	<u>398.0</u> 489.5	925.0	<u>486.3</u> 438.7	918.7	<u>486.3</u> 432.4	+ 31.2	-6.3
Operating Income	54.1	<u>15.2</u> 38.9	72.0	<u>61.2</u> 10.8	80.1	<u>61.2</u> 18.9	+ 26.0	+ 8.1
% vs Net Sales	6.1%		7.8%		8.7%			
Ordinary Income	55.8	<u>17.8</u> 38.0	80.0	<u>65.2</u> 14.8	89.4	<u>65.2</u> 24.2	+ 33.6	+ 9.4
% vs Net Sales	6.3%		8.6%		9.7%			
Net Income	27.3	<u>10.6</u> 16.7	55.0	<u>50.4</u> 4.6	59.3	<u>50.4</u> 8.9	+ 32.0	+ 4.3
% vs Net Sales	3.1%		5.9%		6.5%			
FCF	100.0		30.0		-34.1		-134.1	-64.1
Exchange Rate (yen)	86	<u>89</u> 82	78	<u>80</u> 76	79	<u>80</u> 78	Impact on Net Sales	
US\$	113	<u>114</u> 112	108	<u>114</u> 102	109	<u>114</u> 104	-39.3	+8.4
EURO							Impact on Op. Income	
							-12.5	+1.8

Year-on-year increase was posted both for sales and income after absorbing the impacts of strong yen and Thai floods. Although the previous sales forecast could not be achieved, better incomes were posted.

*Values in this slide are rounded off to the nearest 100 million.

Precision Equipment Company



Billions of yen	11/3 Actual	1H 2H	Previous est. as of Feb. 3	1H 2H	12/3 Actual	1H 2H
Net Sales	208.6	$\frac{80.7}{127.9}$	260.0	$\frac{124.8}{135.2}$	248.1	$\frac{124.8}{123.3}$
Operating Income % vs Net Sales	2.7 1.3% 8.3* 4.0%*	$\frac{-4.7}{7.4}$ $\frac{-2.0*}{10.3*}$	37.0 14.2%	$\frac{23.3}{13.7}$	42.7 17.2%	$\frac{23.3}{19.4}$
IC Steppers & Scanners New / Refurbished (units sold)	57/25	$\frac{18/12}{39/13}$	57/25	$\frac{26/16}{31/9}$	55/29	$\frac{26/16}{29/13}$
LCD Steppers & Scanners (units sold)	57	$\frac{23}{34}$	85	$\frac{48}{37}$	86	$\frac{48}{38}$
IC Steppers & Scanners Market Scale CY10/11	228 units		311 units		311 units	
LCD Steppers & Scanners Market Scale CY10/11	112 units		109 units		109 units	

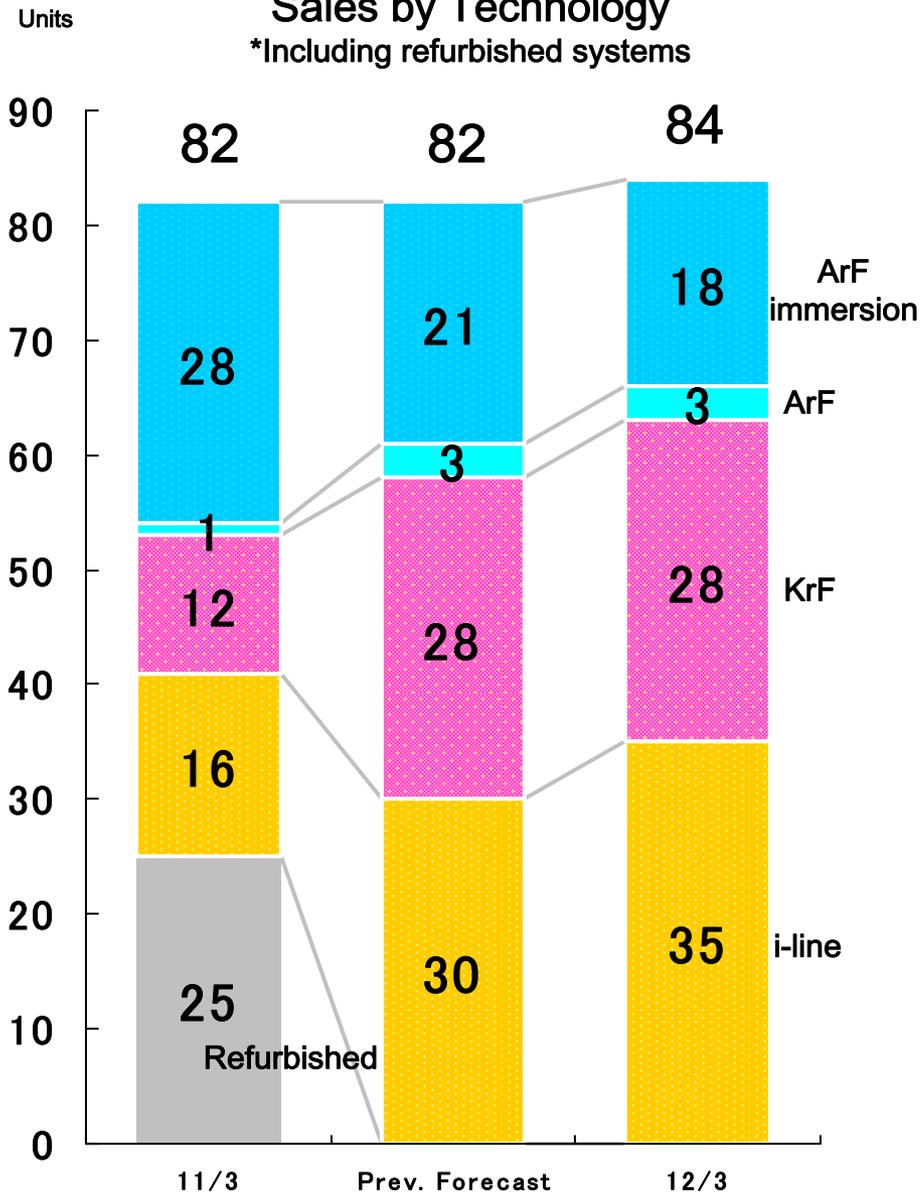
ArF immersion scanner in sales mix has shifted to competitive S620D in IC division. LCD division captured the increasing demands for high-precision mid/small-sized panels and sold more steppers/scanners than last year.

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

IC Steppers & Scanners

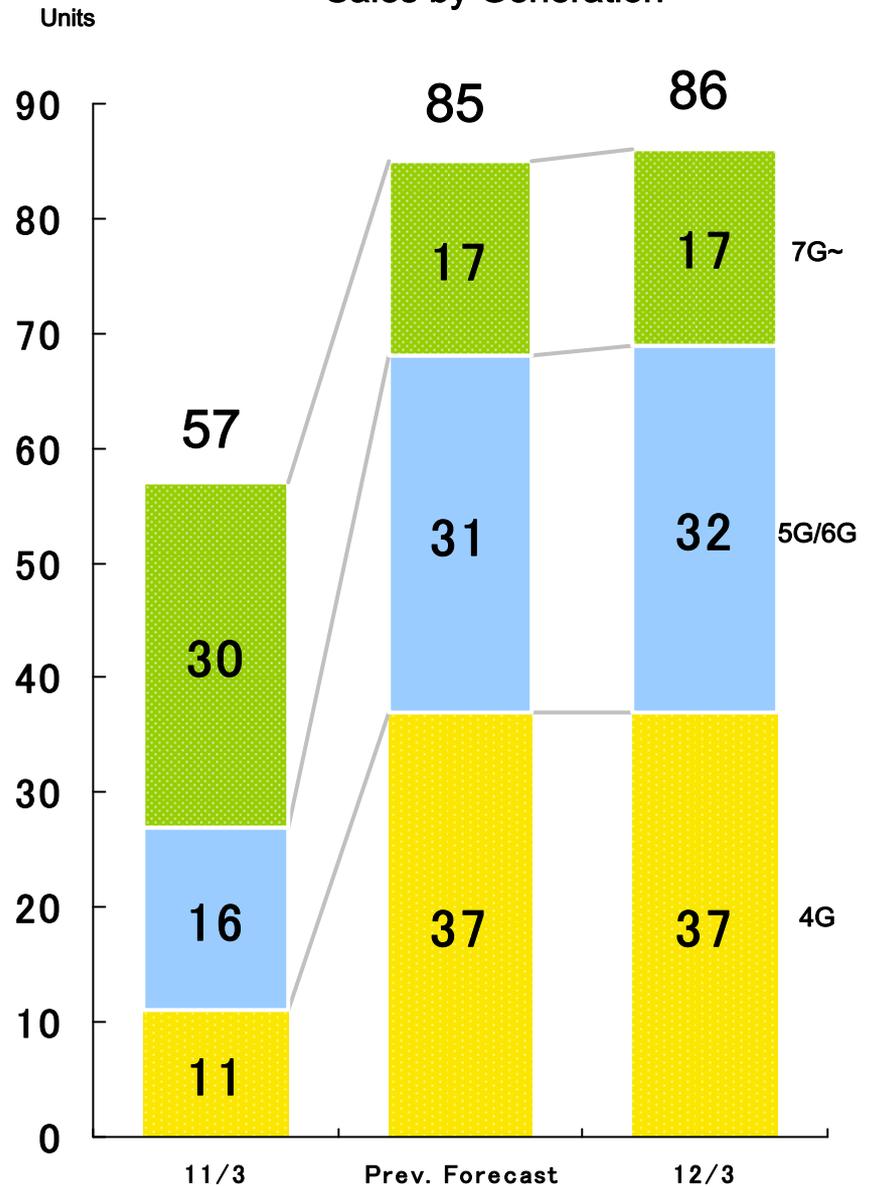
Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners

Sales by Generation



Imaging Company



Billions of yen 1,000 of units sold	11/3 Actual		1H 2H		Previous est. as of Feb. 3	1H 2H		12/3 Actual	1H 2H
Net Sales	596.4		<u>281.8</u> 314.6		585.0	<u>324.5</u> 260.5		587.1	<u>324.5</u> 262.6
Operating Income % vs Net Sales	52.3 8.8%	61.4* 10.3%*	<u>22.3</u> 30.0	<u>26.9*</u> 34.5*	52.0 8.9%	<u>47.4</u> 4.6		54.0 9.2%	<u>47.4</u> 6.6
Digital camera – Interchangeable Lens Type	4,290		<u>1,900</u> 2,390		4,700	<u>2,730</u> 1,970		4,740	<u>2,730</u> 2,010
Interchangeable Lens	6,360		<u>2,950</u> 3,410		6,900	<u>3,930</u> 2,970		7,130	<u>3,930</u> 3,200
Compact DSC	14,260		<u>6,700</u> 7,560		17,000	<u>7,860</u> 9,140		17,370	<u>7,860</u> 9,510
D-CIL Market Scale	14,140				15,000			16,330	
IL Market Scale	23,270				25,000			26,410	
C-DSC Market Scale	107,410				100,000			99,330	

SLR camera operations were severely affected by Thai floods: but, brisk sales of “Nikon 1” helped sales of digital camera –interchangeable lens type to rise 10% from last year. As the competitiveness of compact camera was strengthened, 20% more units were sold in spite of the shrinking market.

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

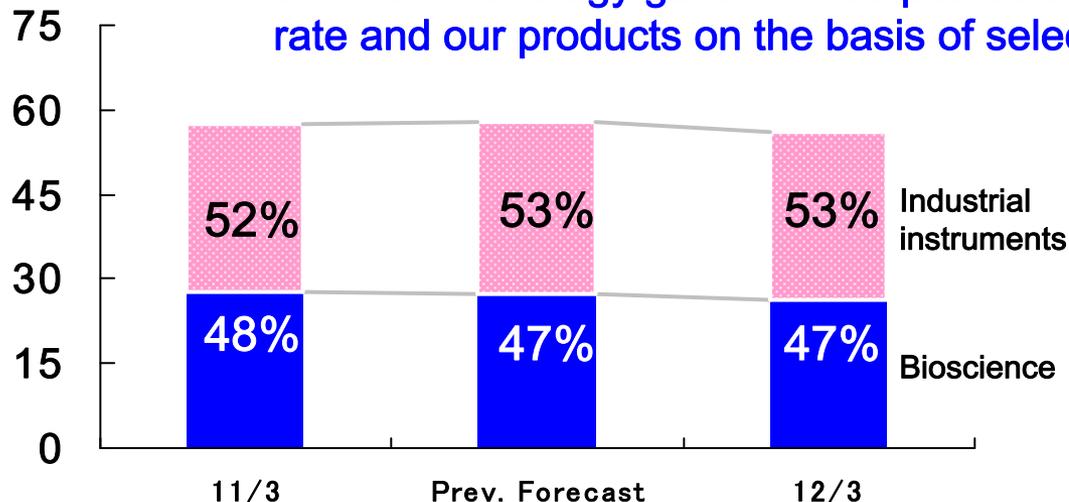
Instruments Company



Billions of yen	11/3 Actual		1H 2H		Previous est. as of Feb. 3	1H 2H		12/3 Actual		1H 2H	
Net Sales	57.5		<u>24.2</u> 33.3		58.0	<u>24.6</u> 33.4		56.0		<u>24.6</u> 31.4	
Operating Income % vs Net Sales	-5.2 - %	-3.8* (- %)	<u>-4.1</u> -1.1	<u>-3.4*</u> -0.4*	-2.5 - %	<u>-2.4</u> -0.1	-3.2 - %		<u>-2.4</u> -0.8		

Because of suspended government spending and investment reduction, sales slightly decreased year-on-year but reduced loss. The impairment, 6.5 billion yen, of Nikon Metrology goodwill was posted after we reevaluated the market growth rate and our products on the basis of selection and concentration.

Billions of yen



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

Balance Sheet



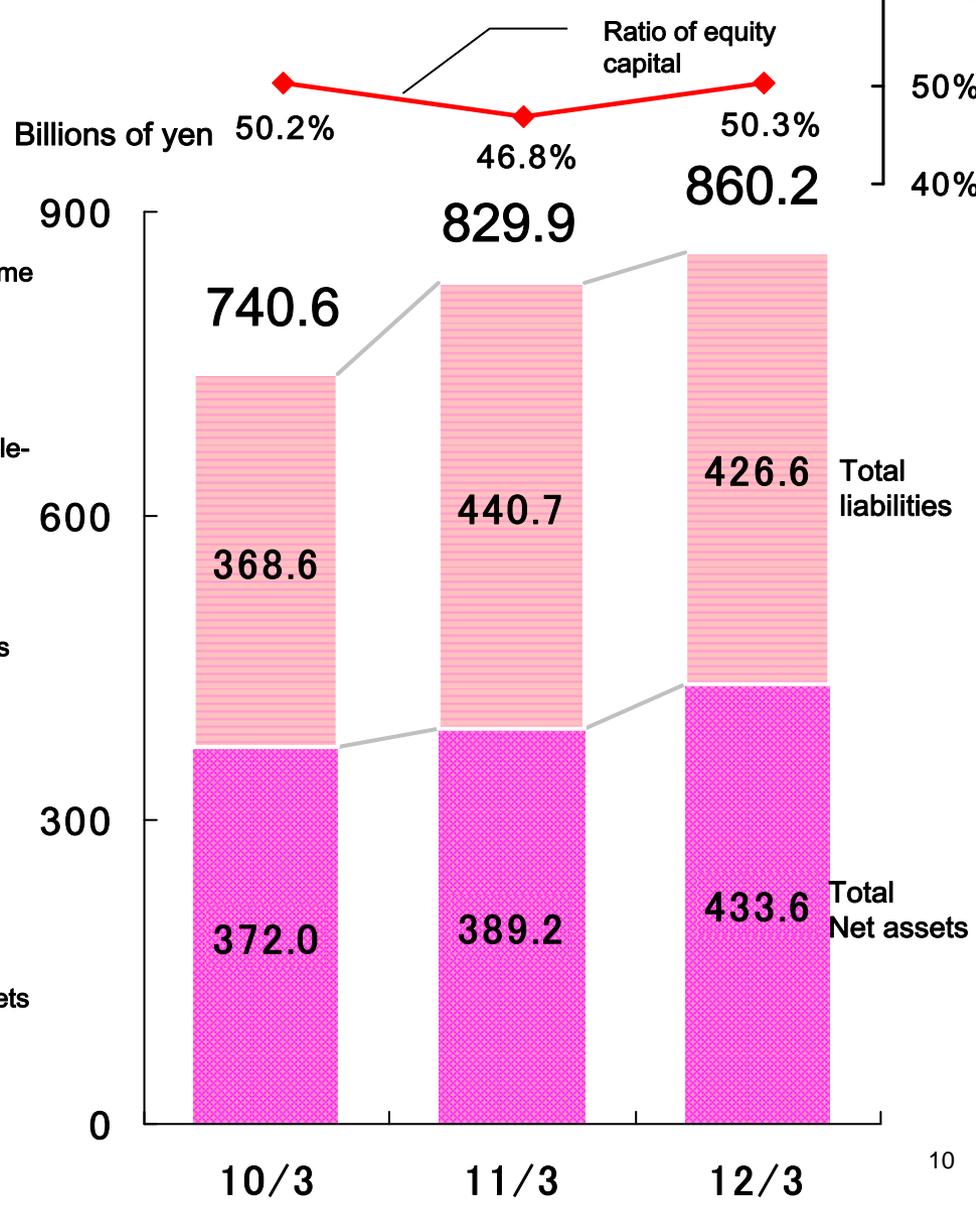
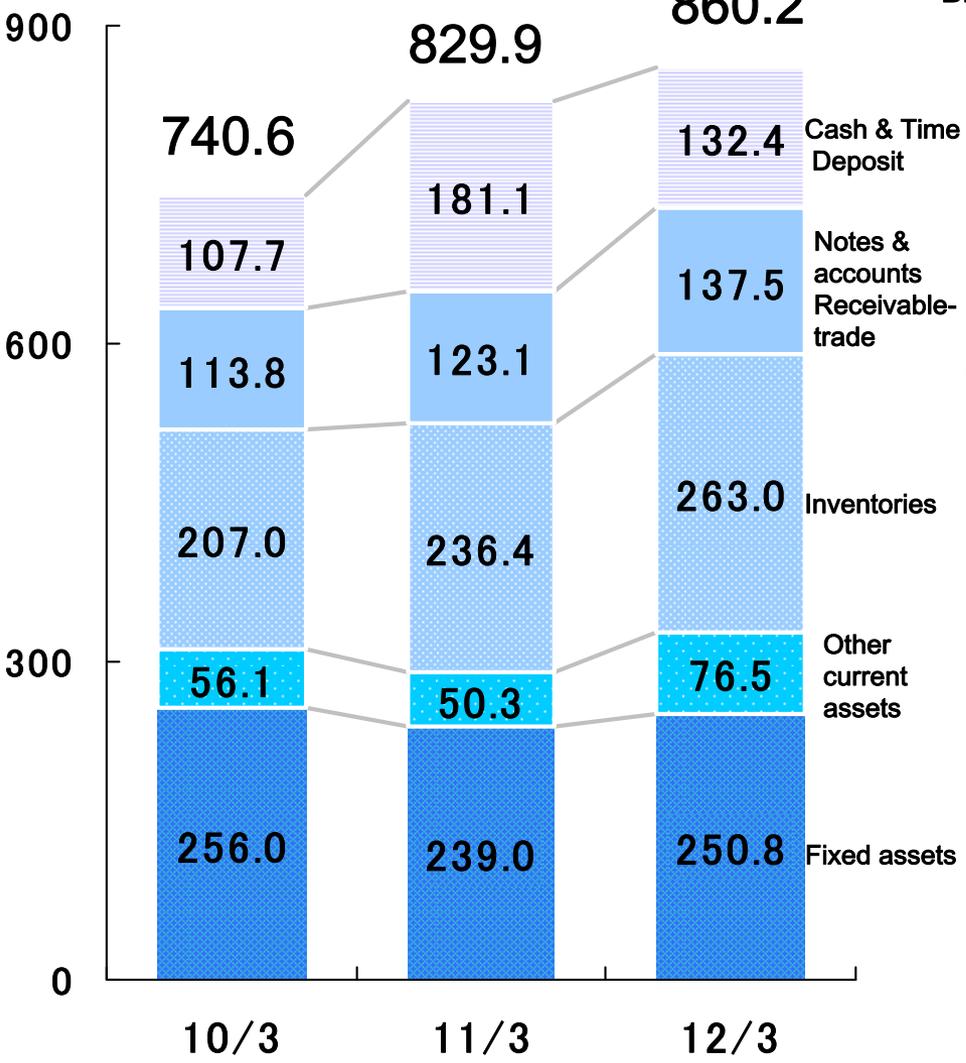
Assets

Liabilities & Net assets

Billions of yen

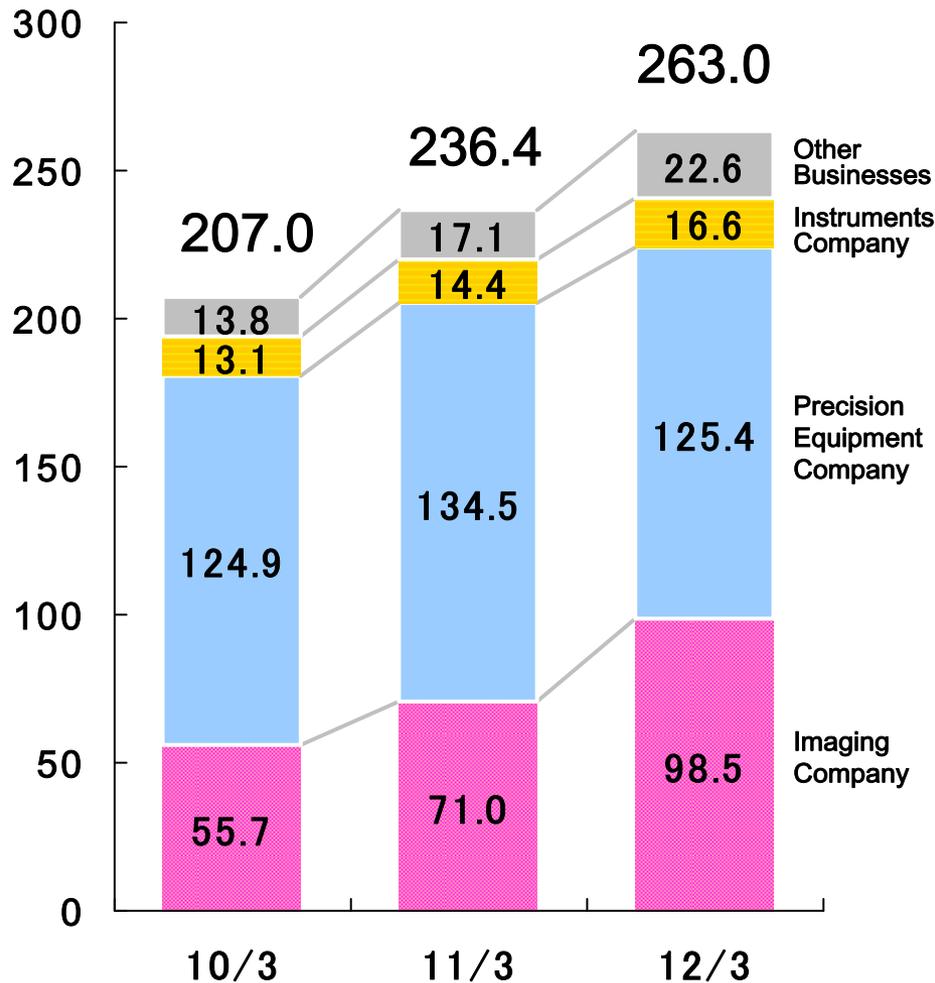
Billions of yen

60%
50%
40%



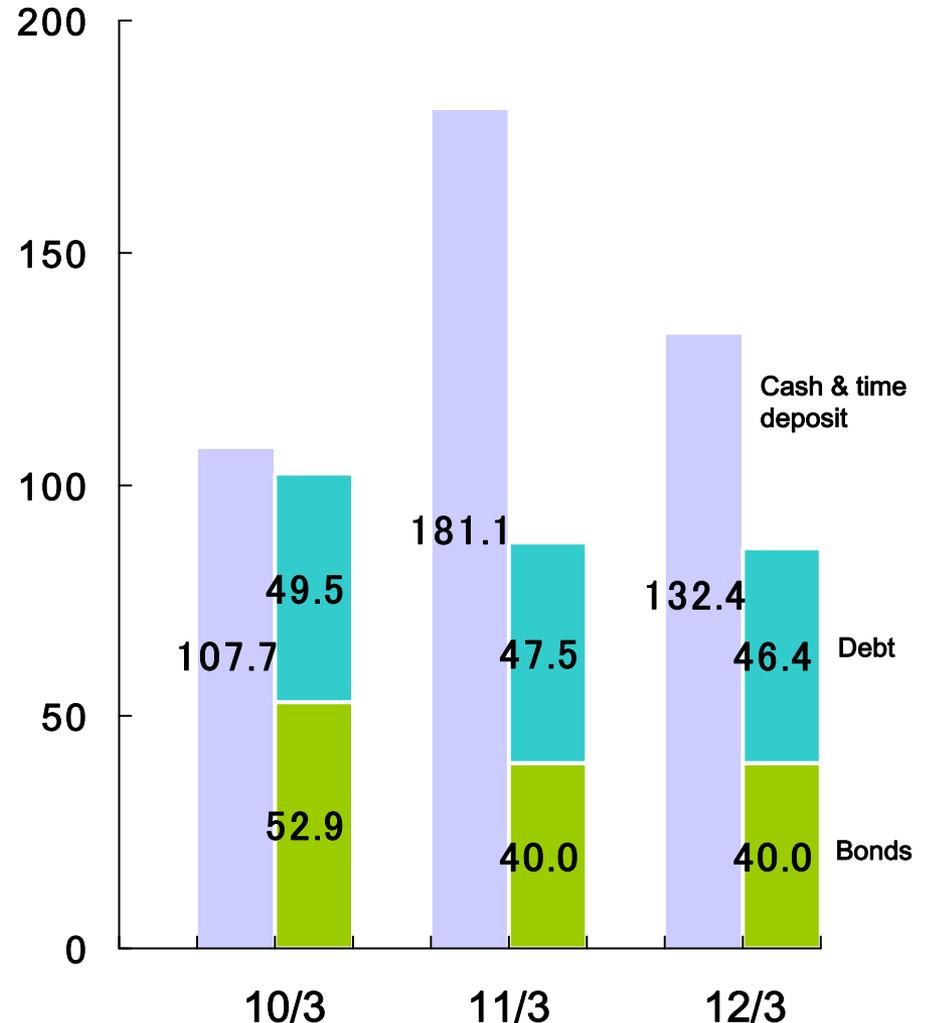
Inventories

Billions of yen



Interest-bearing Debt and Cash & Time Deposit

Billions of yen



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◆ Precision Equipment Company may be affected by lithography system market shrinkage, but Imaging Company fully recovers from Thai floods. The overall sales and income are both expected to rise.

Precision Equipment Company:

Expected market contraction will adversely affect sales volume both in IC and LCD divisions: but, new IC scanners will hold up the 2nd half income level. Both sales and income are expected to lower by 15% and 42%, respectively.

Imaging Company:

Aim to bring SLR cameras back to the expansion path and focus on sales expansion of “Nikon 1” and compact cameras. Both sales and income are expected to rise 24% and 48% each.

Instruments Company:

Mainly in emerging nations such as Asian countries, the bioscience field strives to expand the share of biological microscopes for general research and clinical use, while the industrial instruments field attempts to capture new demand from car industry, etc. Sales is expected to grow 9% with reduced loss.

◆ Estimated annual dividend per share: 41 yen (interim dividend 19 yen)

Estimation for the Year Ending March 31, 2013



Billions of yen	12/3 Actual	1H 2H	13/3 Estimation	1H 2H	Change
Net Sales	918.7	<u>486.3</u> 432.4	1,030.0	<u>485.0</u> 545.0	+111.3
Operating Income % vs Net Sales	80.1 8.7%	<u>61.2</u> 18.9	90.0 8.7%	<u>35.0</u> 55.0	+9.9
Ordinary Income % vs Net Sales	89.4 9.7%	<u>65.2</u> 24.2	94.0 9.1%	<u>38.0</u> 56.0	+4.6
Net Income % vs Net Sales	59.3 6.5%	<u>50.4</u> 8.9	65.0 6.3%	<u>29.0</u> 36.0	+5.7
FCF	-34.1		30.0		+64.1
Exchange Rate (yen)	79	<u>80</u> 78	80		Impact on Net Sales Approx. -2.3 Impact on Op. Income Approx. -5.4
US\$	109	<u>114</u> 104	105		
EURO					

Precision Equipment Company's performance deterioration will be compensated by recovered performance of Imaging Company, expecting 10% or more year-on-year improvements both in sales and operating income.

Estimation for Precision Equipment Company



Billions of yen	12/3 Actual	1H 2H	13/3 Estimation	1H 2H
Net Sales	248.1	<u>124.8</u> 123.3	210.0	<u>85.0</u> 125.0
Operating Income % vs Net Sales	42.7 17.2%	<u>23.3</u> 19.4	25.0 11.9%	<u>6.0</u> 19.0
IC Steppers & Scanners New / Refurbished (units sold)	55/29	<u>26/16</u> 29/13	46/20	<u>12/ 9</u> 34/11
LCD Steppers & Scanners (units sold)	86	<u>48</u> 38	42	<u>28</u> 14
IC Steppers & Scanners Market Scale CY11/12	311 units		Approx. 240 units	
LCD Steppers & Scanners Market Scale CY11/12	109 units		Approx. 60 units	

Sales of new ArF immersion scanner S621D and ArF scanner S320F will rise in 2nd half, cultivating a growth path to the next year.

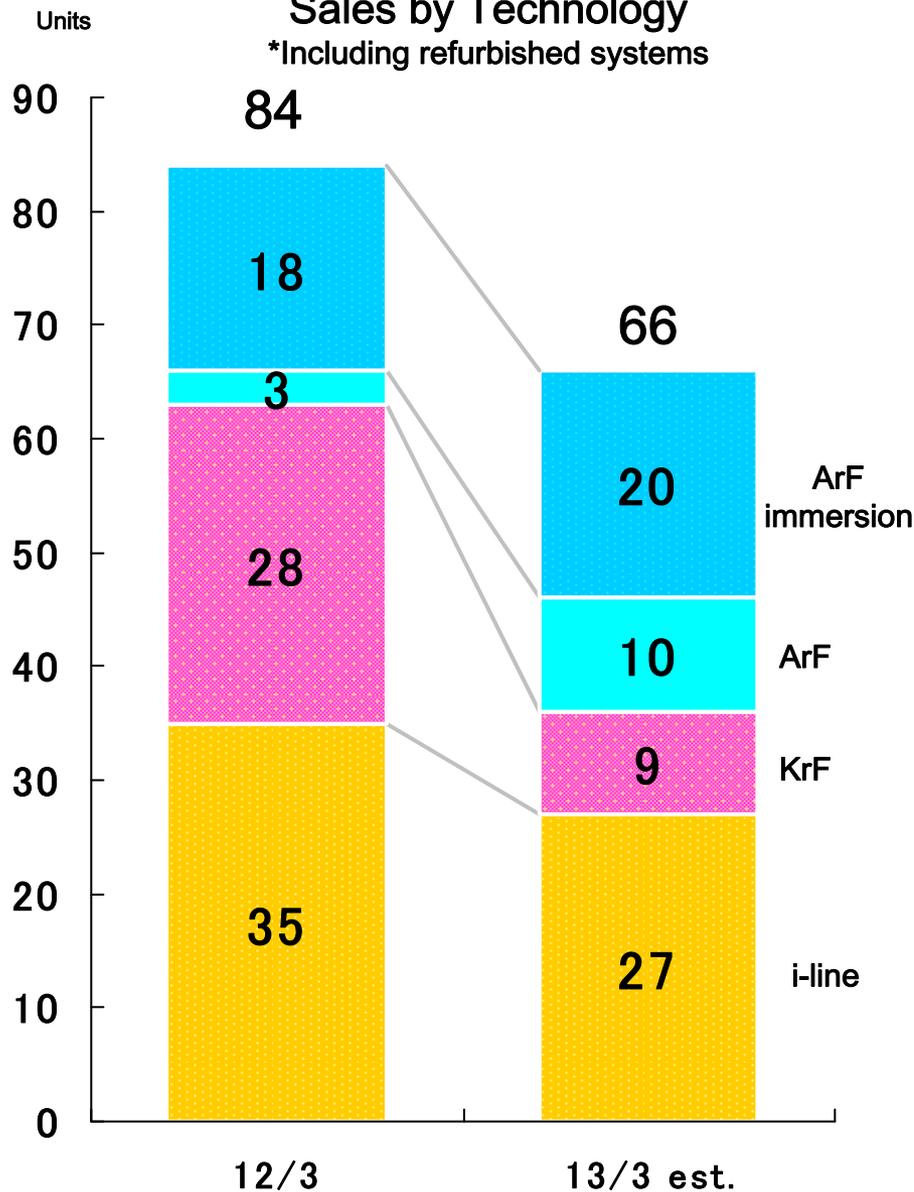
5G/6G LCD steppers/scanners used for high-precision mid/small-sized panels will show stable sales.

Estimation for Precision Equipment Company

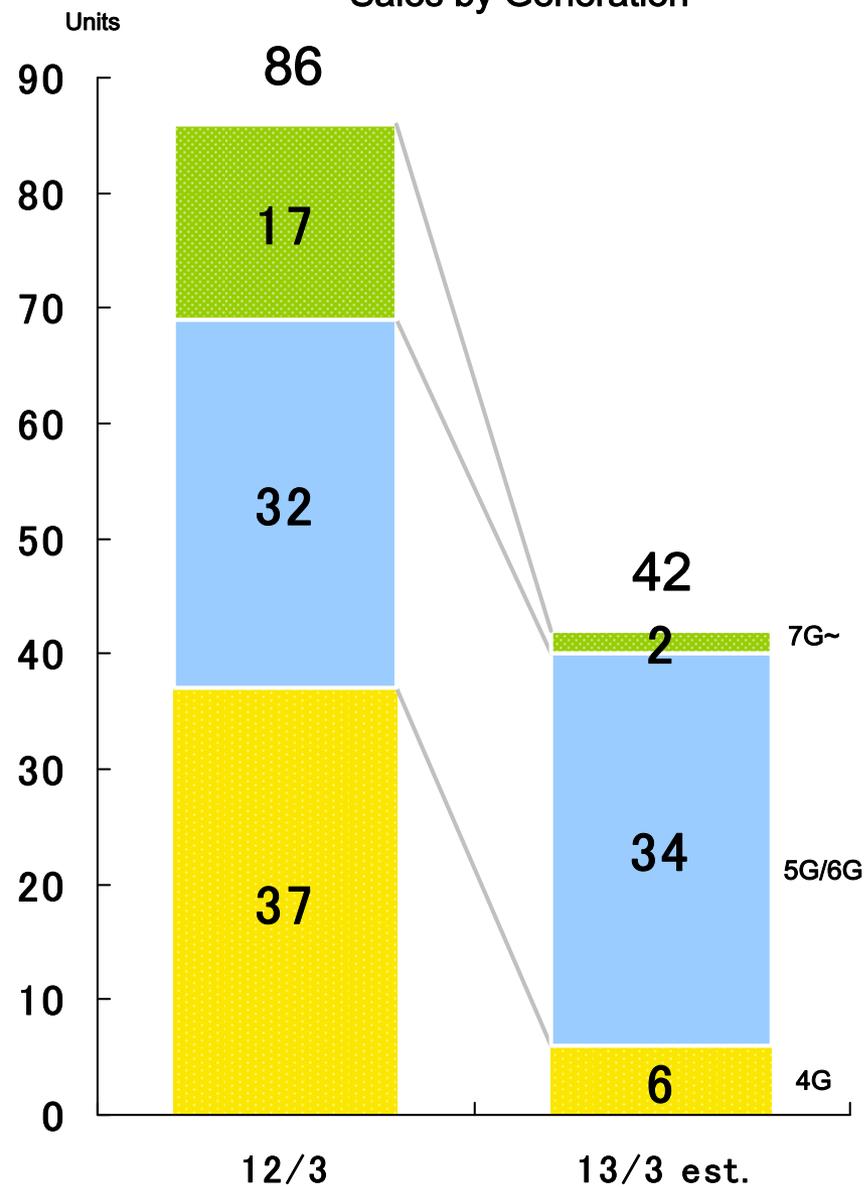


IC Steppers & Scanners Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners Sales by Generation



Estimation for Imaging Company



Billions of yen 1,000 of units sold	12/3 Actual	1H 2H	13/3 Estimation	1H 2H
Net Sales	587.1	<u>324.5</u> 262.6	730.0	<u>360.0</u> 370.0
Operating Income % vs Net Sales	54.0 9.2%	<u>47.4</u> 6.6	80.0 11.0%	<u>38.0</u> 42.0
Digital camera – Interchangeable Lens Type	4,740	<u>2,730</u> 2,010	7,000	<u>3,400</u> 3,600
Interchangeable Lens	7,130	<u>3,930</u> 3,200	10,000	<u>4,900</u> 5,100
Compact DSC	17,370	<u>7,860</u> 9,510	18,000	<u>8,400</u> 9,600
D-CIL Market Scale	16,330		19,000	
IL Market Scale	26,410		31,000	
C-DSC Market Scale	99,330		95,000	

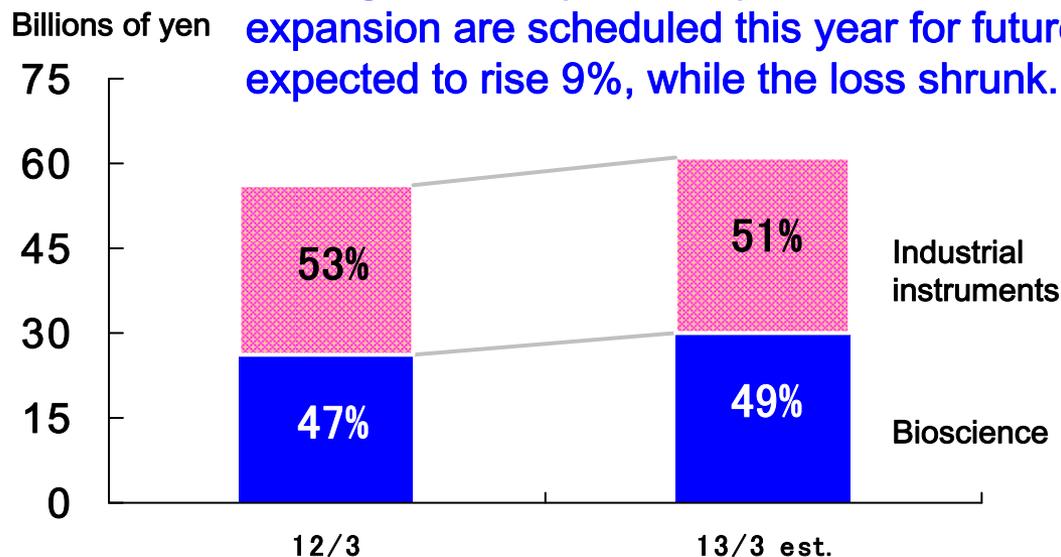
The market for digital camera–interchangeable lens type can expect a rapid growth as accelerated by the expansion of non-reflex camera market. Freed from restrictions caused by floods, substantial year-on-year increases are forecasted for sales and income.

Estimation for Instruments Company

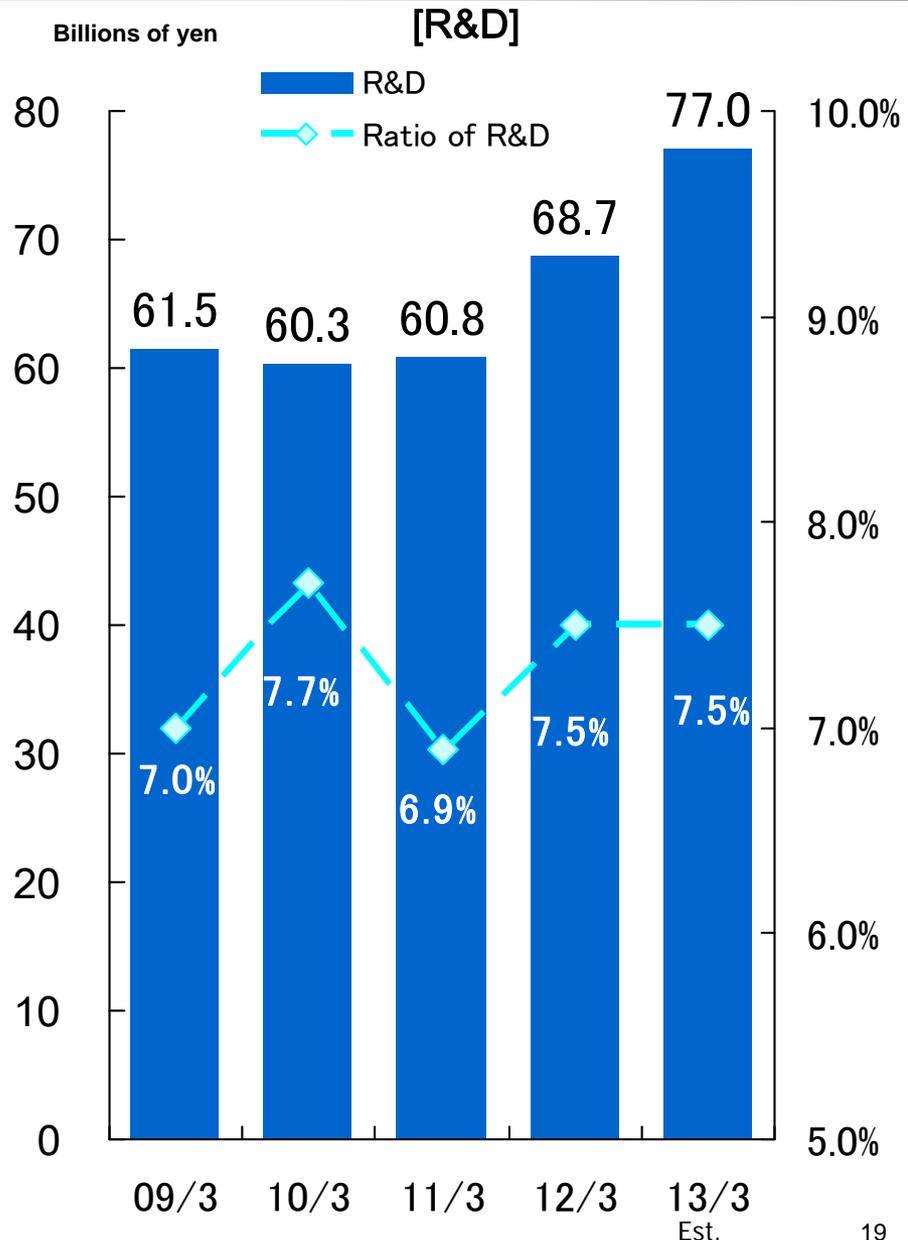
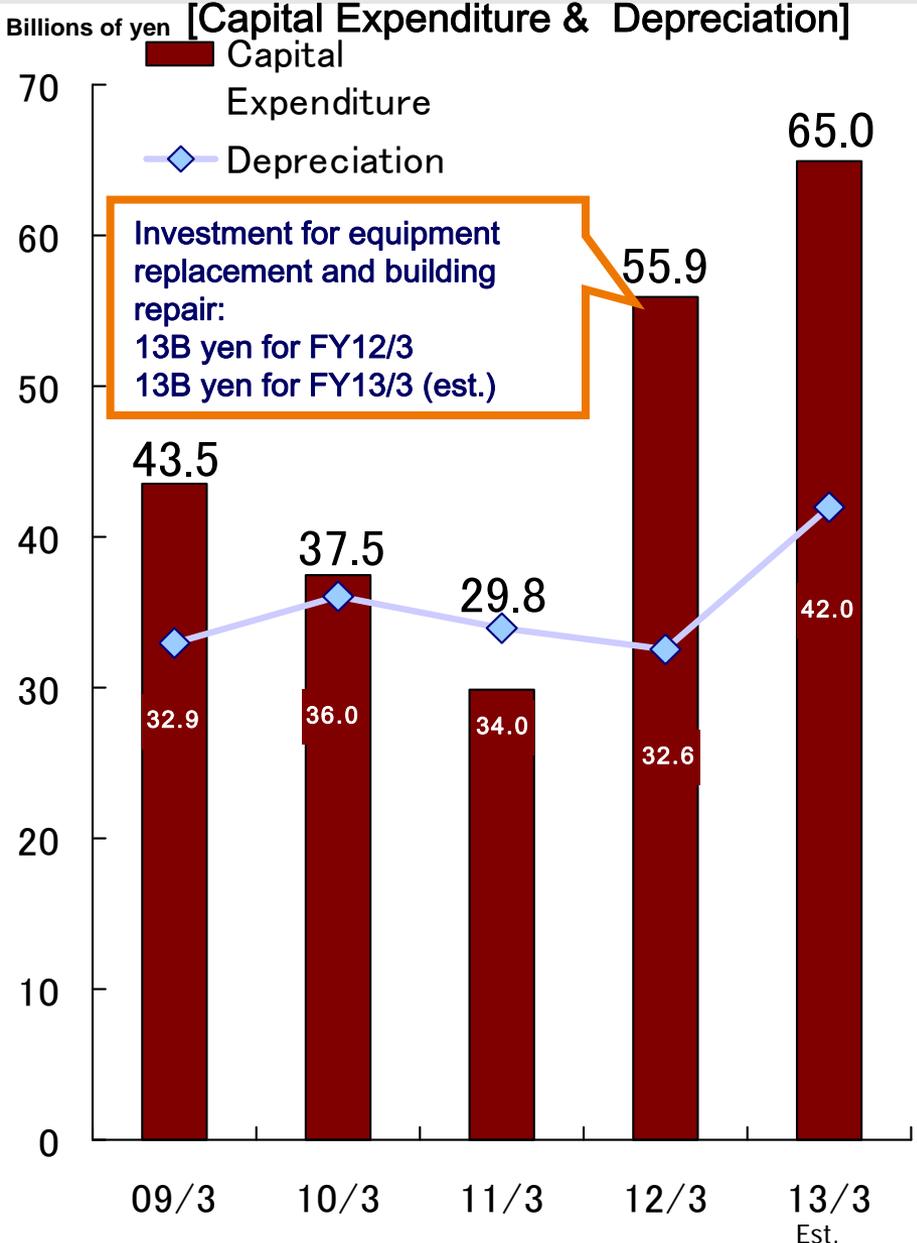


Billions of yen	12/3 Actual	1H 2H	13/3 Estimation	1H 2H
Net Sales	56.0	$\frac{24.6}{31.4}$	61.0	$\frac{24.0}{37.0}$
Operating Income % vs Net Sales	-3.2 -%	$\frac{-2.4}{-0.8}$	-1.0 -%	$\frac{-2.5}{1.5}$

Non-contact 3D metrology tools and X-ray inspection systems of Nikon Metrology are regarded as potential products for midterm growth. Development and sales expansion are scheduled this year for future income improvement. Sales is expected to rise 9%, while the loss shrunk.



Estimation for Capital Expenditure, Depreciation and R&D



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

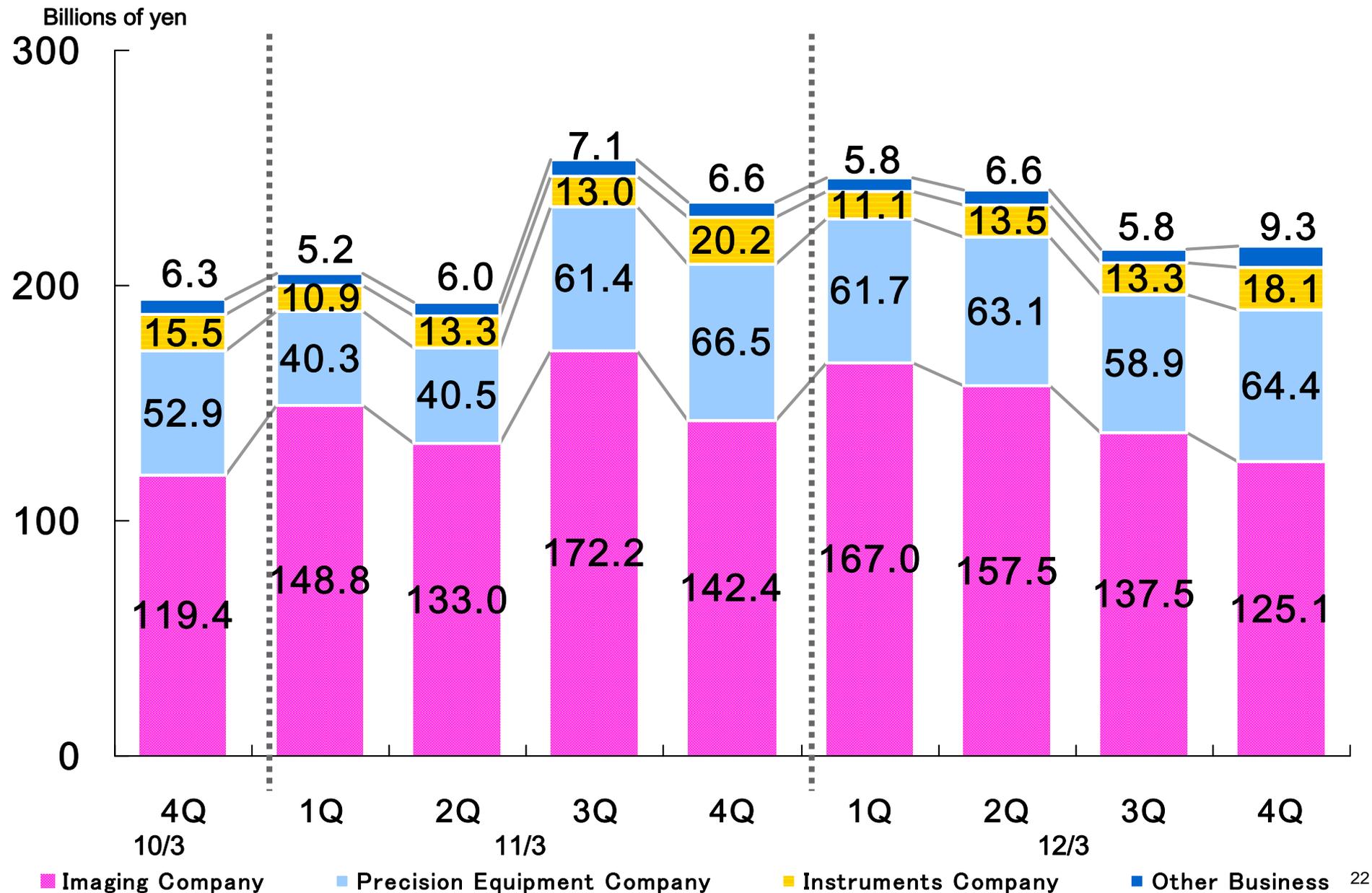
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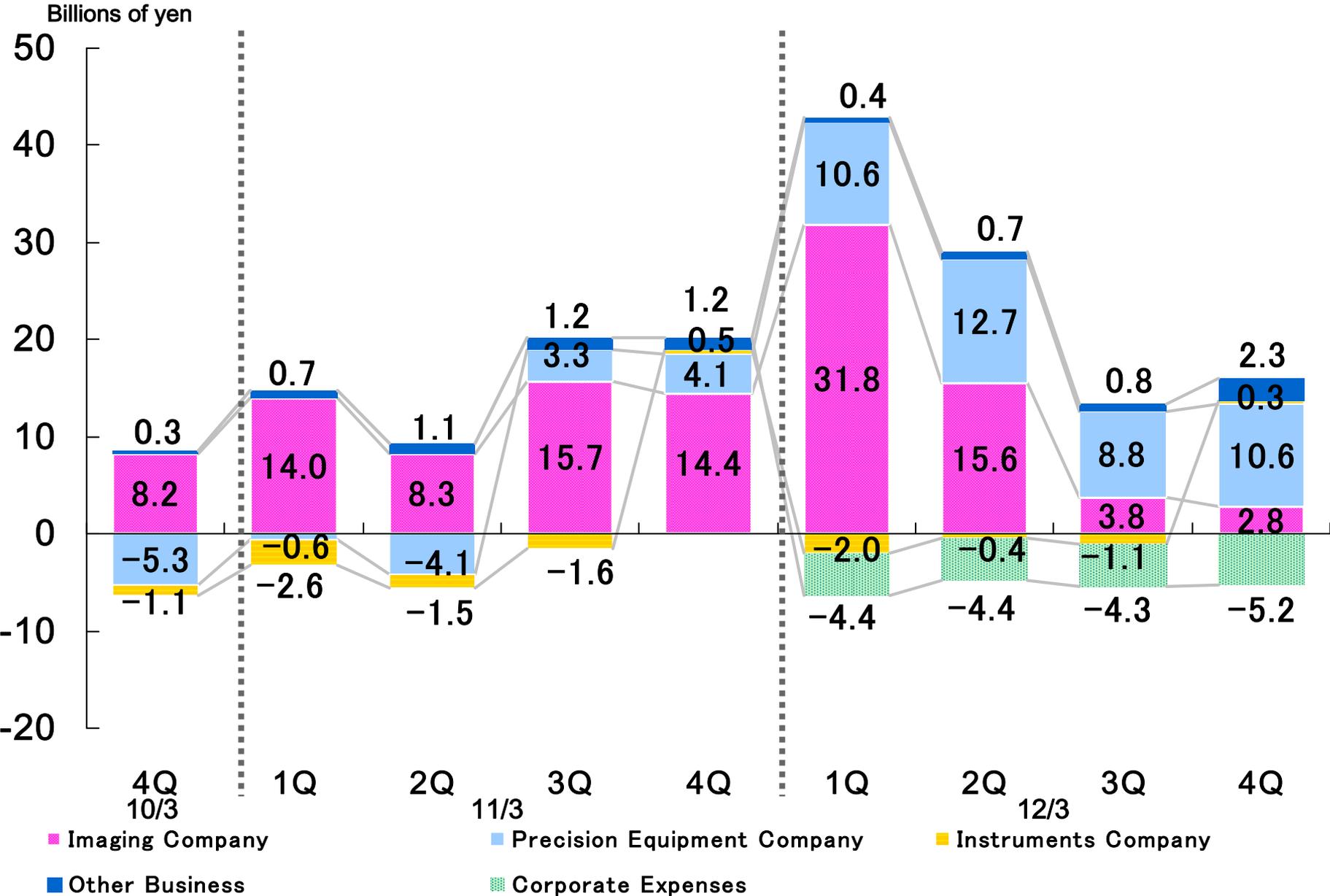
13/3 Estimation

Billions of yen	Exchange Rate	Financial Impact from Fluctuation by 1 yen	
	13/3 Forecast	Net Sales	Operating Income
US \$	80 yen	Approx. 6.9	Approx. 0.6
EURO	105 yen	Approx. 2.3	Approx. 1.5

Quarterly Net Sales by segment



Quarterly Operating Income by segment





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