



Financial Results for the First Quarter of the Year Ending March 31, 2013

Audio Conference in Tokyo (Aug 8, 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.

Agenda

- I. **Financial Results for the First Quarter
of the Year Ending March 31,2013**
- II. **Estimation for the Year Ending
March 31,2013**
- III . **Reference Data**

Summary for the First Quarter of the Year Ending March 31, 2013



- ◆ Overall sales up 6% and operating income down 37% on previous Q1.

Precision Equipment Company

- IC steppers/scanners sales volume decreased due to the market contraction. LCD steppers/scanners maintained the sales of over 20 units.
- Sales decreased 15%; operating income saw a slight reduction.

Imaging Company

- Suspended production due to Thai floods recovered to the normal level, being able to respond to brisk demands for digital cameras – interchangeable lens type and interchangeable lenses.
- Sales improved 14%; operating income suffered 38% reduction due to strong yen and sales expenses hike.

Instruments Company

- Flat sales, but the deficit amount increased due to strong yen.

Financial Highlights for the First Quarter of the Year Ending March 31, 2013



Billions of yen	12/3 1Q (A)	13/3 1Q (B)	Change (B)-(A)
Net Sales	245.5	259.4	+13.9
Operating Income <small>% vs Net Sales</small>	36.9 15.0%	23.3 9.0%	-13.6
Ordinary Income <small>% vs Net Sales</small>	37.7 15.4%	23.4 9.0%	-14.3
Net Income <small>% vs Net Sales</small>	30.6 12.5%	15.7 6.1%	-14.9
FCF	1.3	- 0.2	-1.5
Exchange Rate US\$ EURO	82 yen 117yen	80yen 103yen	Impact on Net Sales: -12.4 Op. Income: -4.7

Sales improved 6%: however, the incomes deteriorated due to strong yen and increased sales expenses.

* Amounts in this statement are rounded down to the hundred million.

Billions of yen	12/3 1Q (A)	13/3 1Q (B)	Change (B)-(A)
Net Sales	61.6	52.2	-9.4
Operating Income <small>% vs Net Sales</small>	10.6 17.2%	10.2 19.5%	-0.4
IC Steppers & Scanners New / Refurbished	11/7 units	6/3 units	-5/ -4 units
LCD Steppers & Scanners	24 units	22 units	-2 units

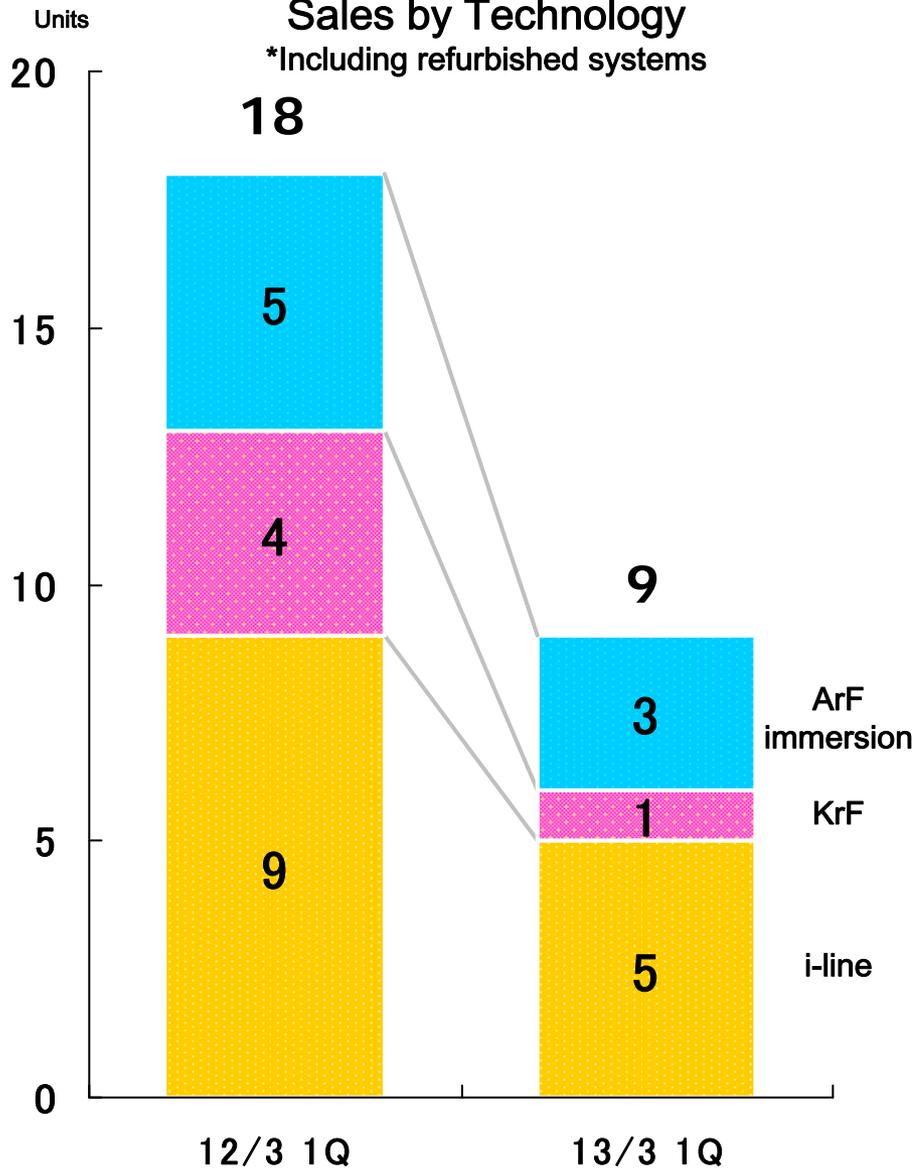
IC steppers/scanners started to enjoy the effect of the earning structure revamp of the previous year, which was able to reduce the ArF immersion scanner production leadtime among other benefits. LCD steppers/scanner inked a favorable sales volume, mainly those for mid/smallsized panels.

The Company overall maintained the high operating income ratio.

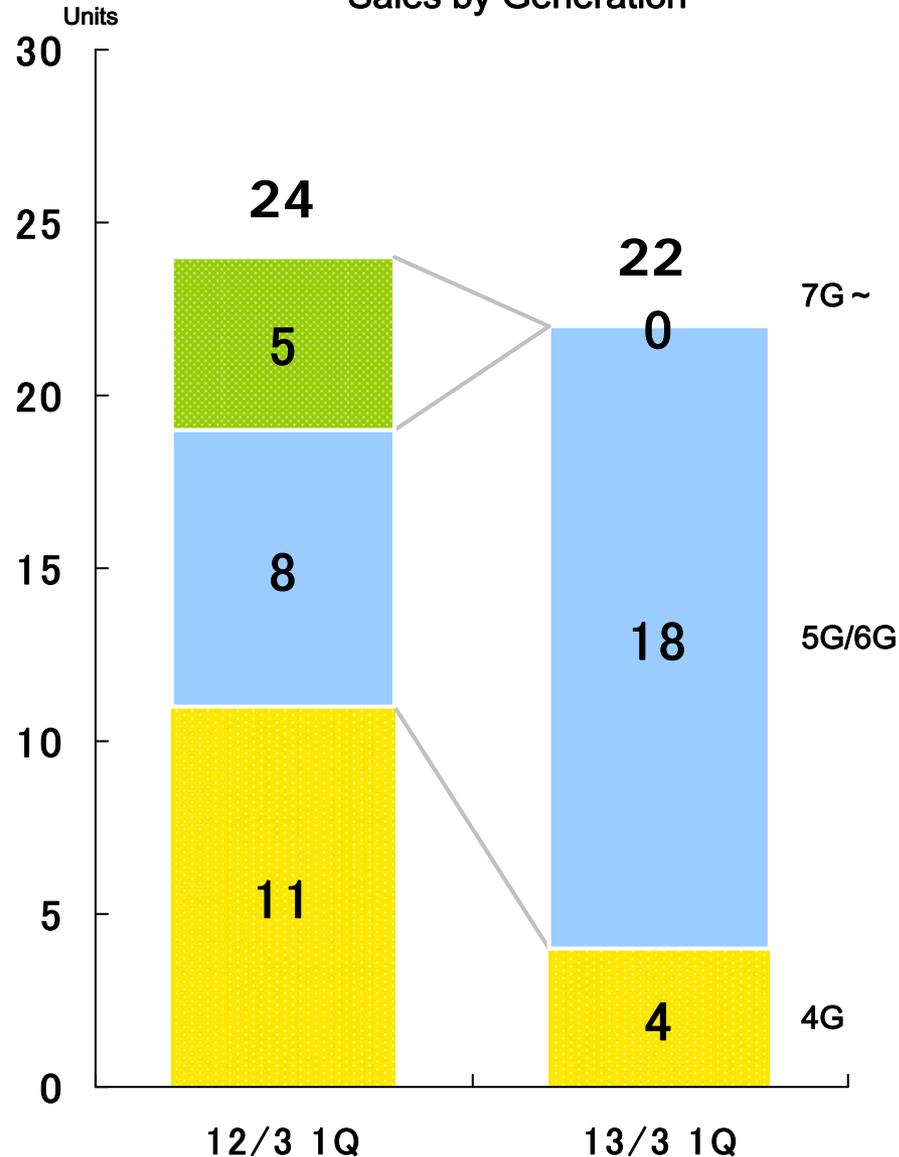


IC Steppers & Scanners Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners Sales by Generation



Billions of yen Cameras & Lenses (1,000 of units sold)	12/3 1Q (A)	13/3 1Q (B)	Change (B)-(A)
Net Sales	167.0	190.1	+23.1
Operating Income <small>% vs Net Sales</small>	31.7 19.0%	19.6 10.3%	-12.1
Digital camera – Interchangeable Lens Type	1,360	1,670	+310
Interchangeable Lenses	2,000	2,300	+300
Compact DSC	3,950	4,430	+480

Production that had been impaired by the Thai floods recovered to the normal capacity. Digital cameras – interchangeable lens type and interchangeable lenses sold 23% and 15% more units respectively, and the compact DSC achieved 12% sales volume hike in spite of the shrinking market. The operating income went down, affected by the strong yen and sales expenses increase.

Billions of yen	12/3 1Q (A)	13/3 1Q (B)	Change (B)-(A)
Net Sales	11.1	10.8	-0.3
Operating Income <small>% vs Net Sales</small>	-1.9 <small>- %</small>	-2.4 <small>- %</small>	-0.5

In the strong yen environment, the sales amount maintained the level of previous year: but, the loss expanded.

Balance Sheet



Assets

Liabilities & Equity

Billions of yen

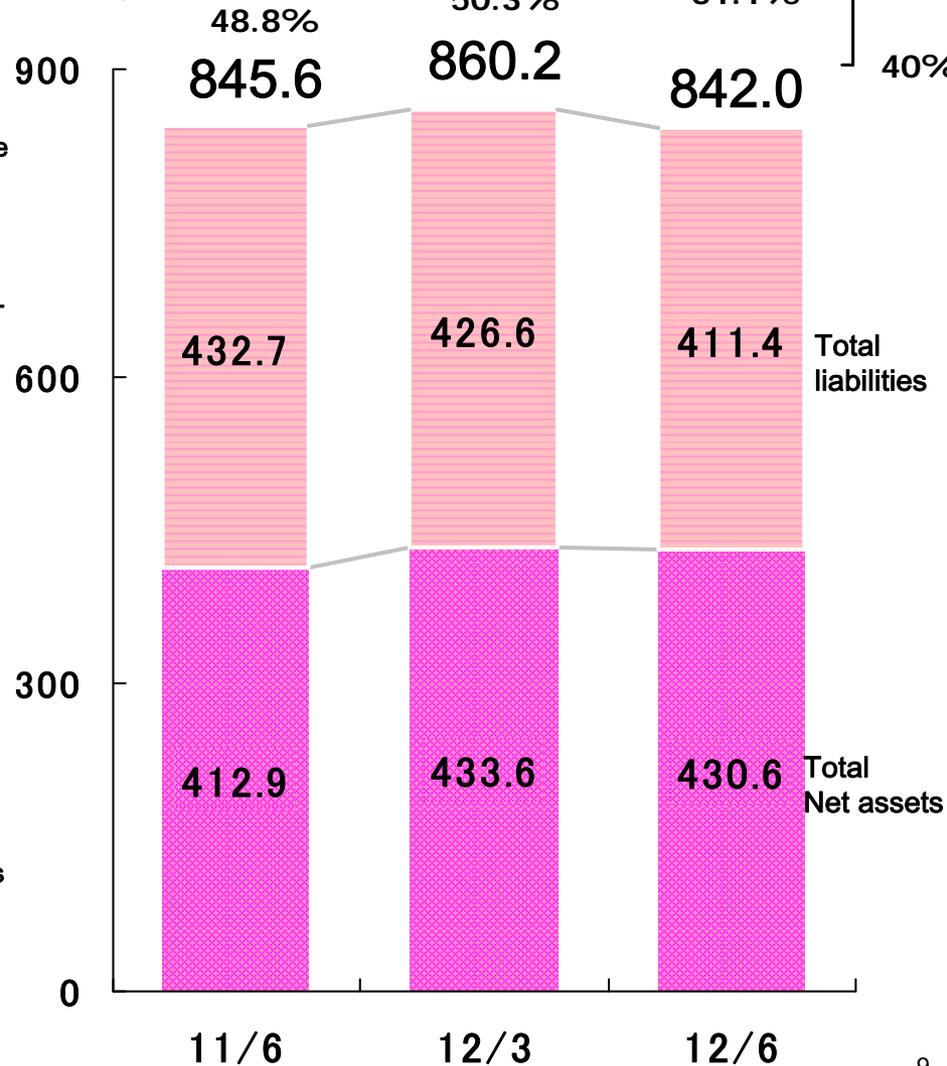
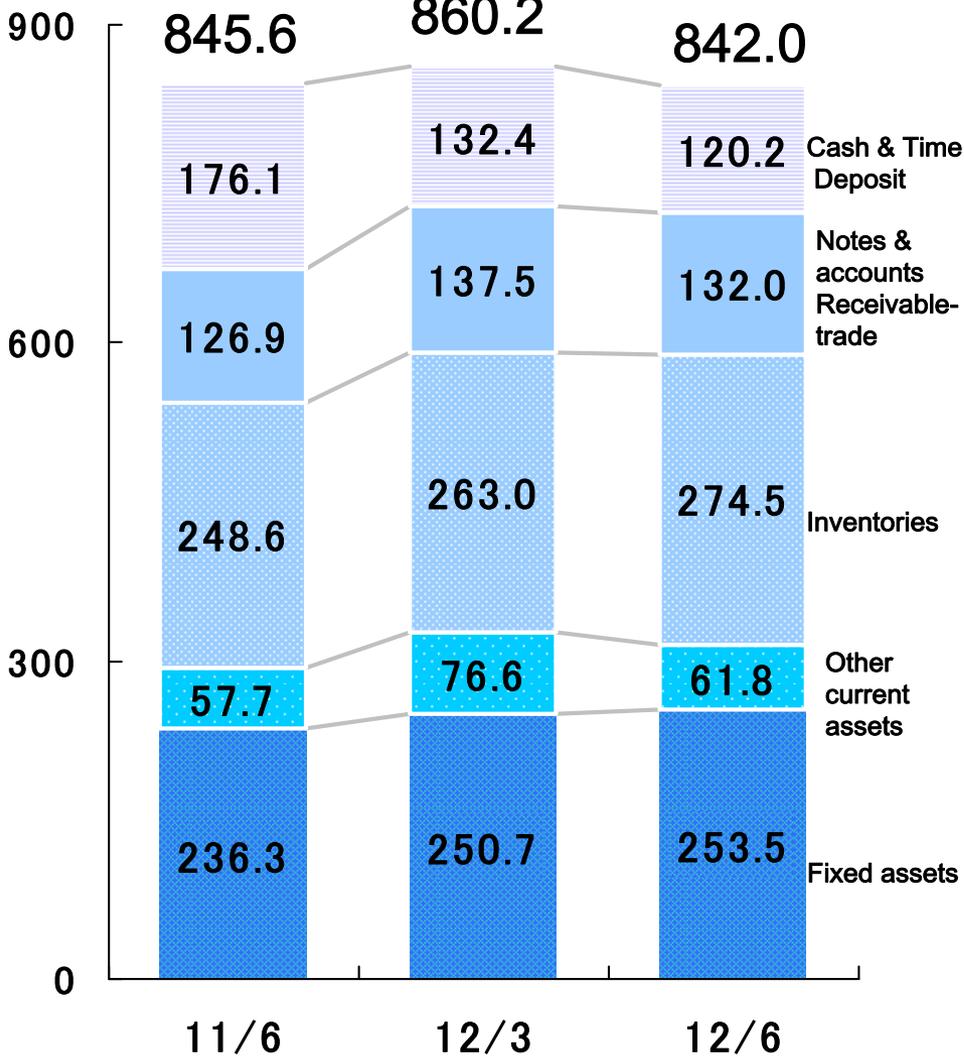
Billions of yen

60%

50%

40%

Capital ratio



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Summary of Estimation for the Year Ending March 31, 2013



◆ Change in the assumed exchange rate will downgrade the sales and incomes: but, the overall performance trend, sales/income increase, will not change.

Precision Equipment Company

The number of IC and LCD steppers/scanners sold is expected to decrease on year due to the market contraction. But, the newly launched IC stepper/scanner will secure the profitable 2nd half. The previous forecast is unchanged: year-on-year sales down 15% and income down 41%.

Imaging Company

Sales volume forecast is unchanged: however, the assumed exchange rate change forces downgrading of both sales and operating income amounts. Both sales and income are expected to improve 23% and 39% on year.

Instruments Company

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. The previous forecast is unchanged: sales is expected to grow 9% on year with reduced loss.

- ◆ The assumed exchange rate against Euro is changed from 105 yen to 100 yen.
- ◆ 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 (A)	1H 2H	Previous est. (B) (May 10)	1H 2H	New est. (C)	1H 2H	Change (C)-(A)	Change (C)-(B)	1H 2H
Net Sales	918.6	<u>486.3</u> 432.3	1,030.0	<u>485.0</u> 545.0	1,020.0	<u>485.0</u> 535.0	+101.4	-10.0	<u>±0</u> -10.0
Operating Income	80.0	<u>61.1</u> 18.9	90.0	<u>35.0</u> 55.0	85.0	<u>34.0</u> 51.0	+5.0	-5.0	<u>-1.0</u> -4.0
% vs Net Sales	8.7%		8.7%		8.3%				
Ordinary Income	89.3	<u>65.1</u> 24.2	94.0	<u>38.0</u> 56.0	90.0	<u>37.0</u> 53.0	+0.7	-4.0	<u>-1.0</u> -3.0
% vs Net Sales	9.7%		9.1%		8.8%				
Net Income	59.3	<u>50.4</u> 8.9	65.0	<u>29.0</u> 36.0	60.0	<u>27.0</u> 33.0	+0.7	-5.0	<u>-2.0</u> -3.0
% vs Net Sales	6.5%		6.3%		5.9%				
FCF	-34.0		30.0		30.0		+64.0	±0	-
Exchange Rate	79yen	<u>80yen</u> 78yen		80yen	80yen	<u>80yen</u> 80yen			
US\$	109yen	<u>114yen</u>		105yen	101yen	<u>101yen</u>			
EURO		<u>104yen</u>				<u>100yen</u>			

Although economy slowdown is concerned in various regions, the sales volume forecast of each Company is not changed. As the assumed exchange rate against Euro is changed, the yearly sales and income amounts are downgraded.

The previous estimation is as of May 10, 2012.

Estimation for Precision Equipment Company



Billions of yen	12/3 Actual	<u>1H</u> 2H	Previous est. (May 10)	<u>1H</u> 2H	New est.	<u>1H</u> 2H
Net Sales	248.1	<u>124.8</u> 123.3	210.0	<u>85.0</u> 125.0	210.0	<u>85.0</u> 125.0
Operating Income	42.7	<u>23.2</u> 19.5	25.0	<u>6.0</u> 19.0	25.0	<u>6.0</u> 19.0
% vs Net Sales	17.2%		11.9%		11.9%	
IC Steppers & Scanners New / Refurbished	55/29units	<u>26/16</u> 29/13	46/20units	<u>12/ 9</u> 34/11	46/20units	<u>12/ 9</u> 34/11
LCD Steppers & Scanners	86units	<u>48</u> 38	42units	<u>28</u> 14	42units	<u>28</u> 14
IC Steppers & Scanners Market Scale CY11/12	311units		Approx. 240units		Approx. 240units	
LCD Steppers & Scanners Market Scale CY11/12	109units		Approx. 60units		Approx. 60units	

In IC stepper/scanner division, sales of new products, ArF immersion scanner S621D and ArF scanner S320F, will be fully materialized in the 2nd half, making a good start for further expansion in the following year. LCD stepper/scanner is to maintain steady sales of Gen. 5/6 machines for high-precision mid/small-sized panel application.

Estimation for Precision Equipment Company

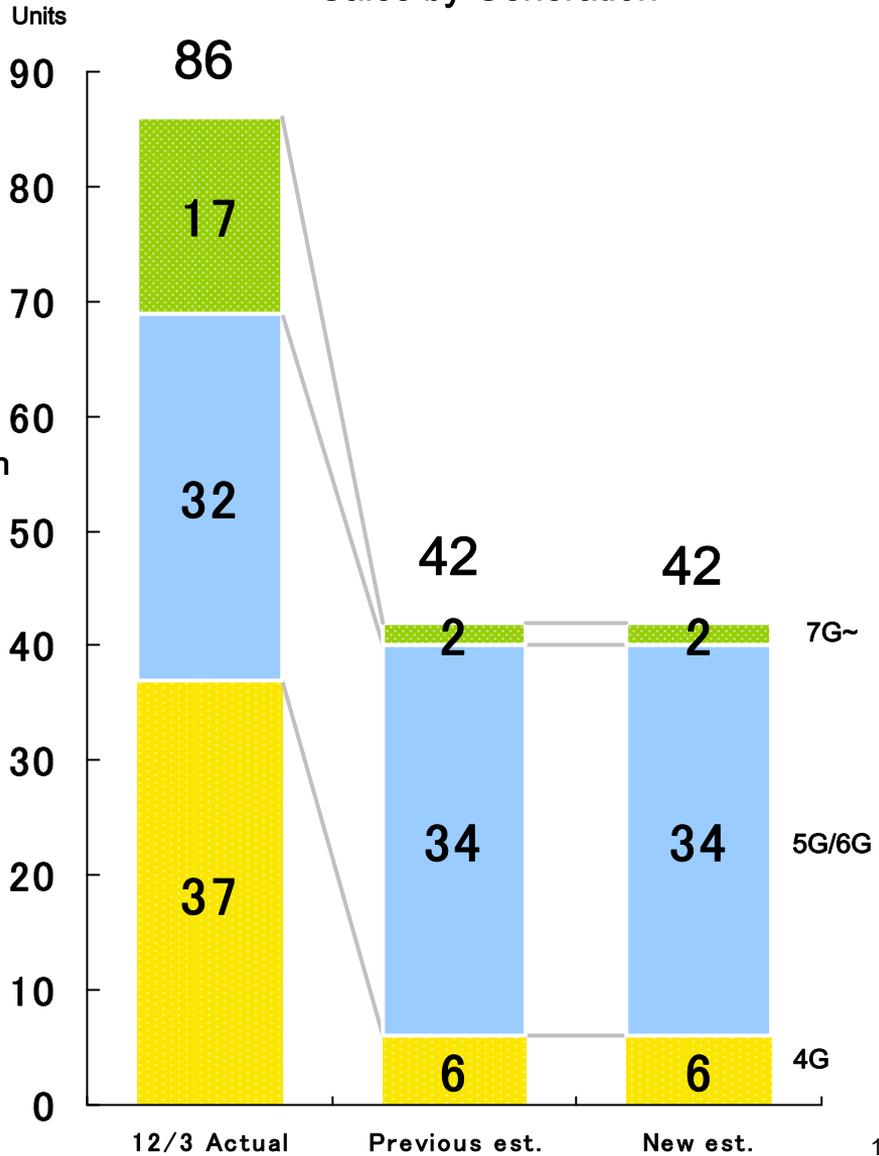


IC Steppers & Scanners Sales by Technology

*Including refurbished systems



LCD Steppers & Scanners Sales by Generation



Estimation for Imaging Company



Billions of yen Cameras & Lenses (1,000 of units sold)	12/3 Actual	1H 2H	Previous est. (May 10)	1H 2H	New est.	1H 2H
Net Sales	587.1	<u>324.5</u> 262.6	730.0	<u>360.0</u> 370.0	720.0	<u>360.0</u> 360.0
Operating Income % vs Net Sales	53.9 9.2%	<u>47.4</u> 6.5	80.0 11.0%	<u>38.0</u> 42.0	75.0 10.4%	<u>37.0</u> 38.0
Digital camera – Interchangeable Lens Type	4,740	<u>2,730</u> 2,010	7,000	<u>3,400</u> 3,600	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	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	18,000	<u>8,400</u> 9,600
D-CIL Market Scale	16,330		19,000		19,000	
IL Market Scale	26,410		31,000		31,000	
C-DSC Market Scale	99,330		95,000		95,000	

In the yearly forecasts, the sales volume is unchanged while the sales and operating income are downgraded due to a change in the assumed exchange rate.

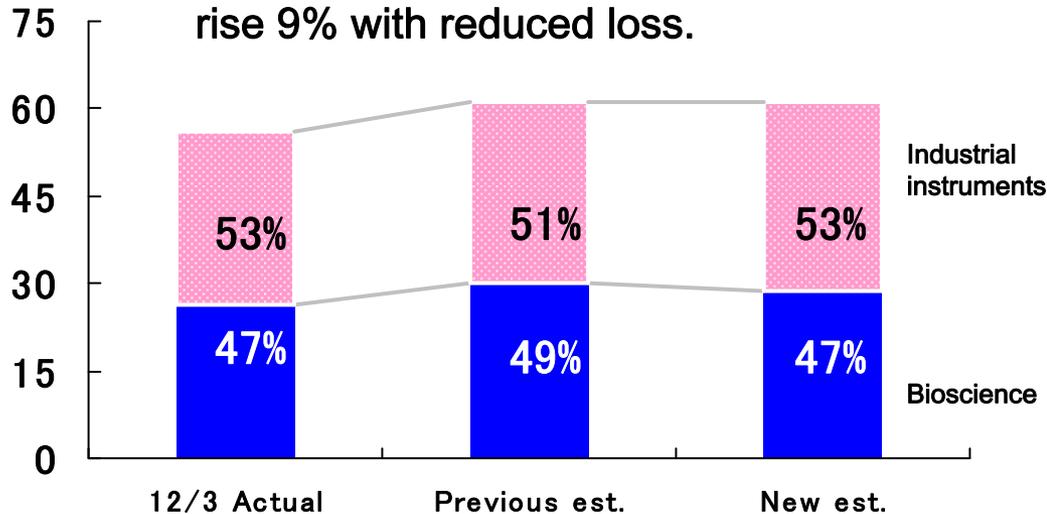


Estimation for Instruments Company

Billions of yen	12/3 Actual	1H 2H	Previous est. (May 10)	1H 2H	New est.	1H 2H
Net Sales	56.0	$\frac{24.6}{31.4}$	61.0	$\frac{24.0}{37.0}$	61.0	$\frac{24.0}{37.0}$
Operating Income	-3.1	$\frac{-2.3}{-0.8}$	-1.0	$\frac{-2.5}{1.5}$	-1.0	$\frac{-2.5}{1.5}$
% vs Net Sales	- %		- %		- %	

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

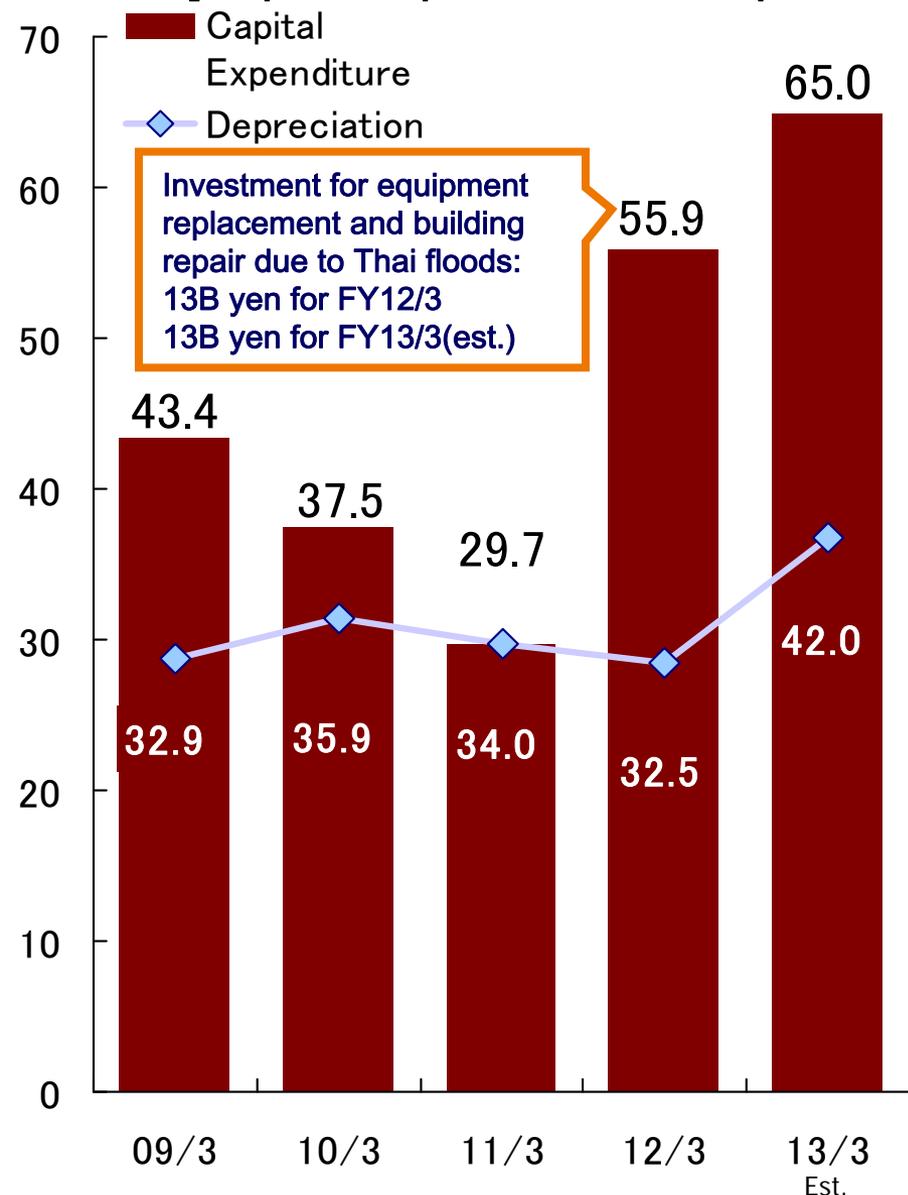
Billions of yen



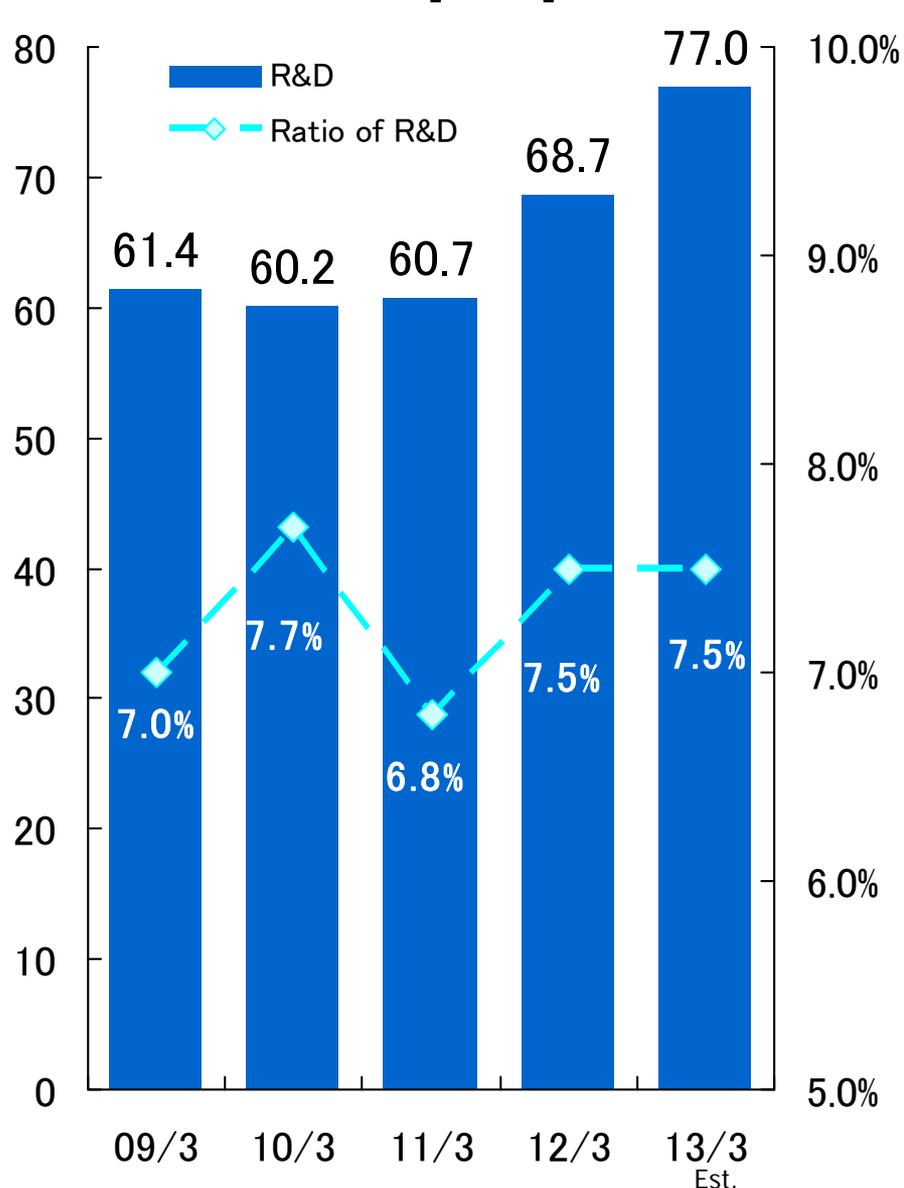
Estimation for Capital Expenditure, Depreciation and R&D



Billions of yen [Capital Expenditure & Depreciation]



Billions of yen [R&D]



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

Agenda

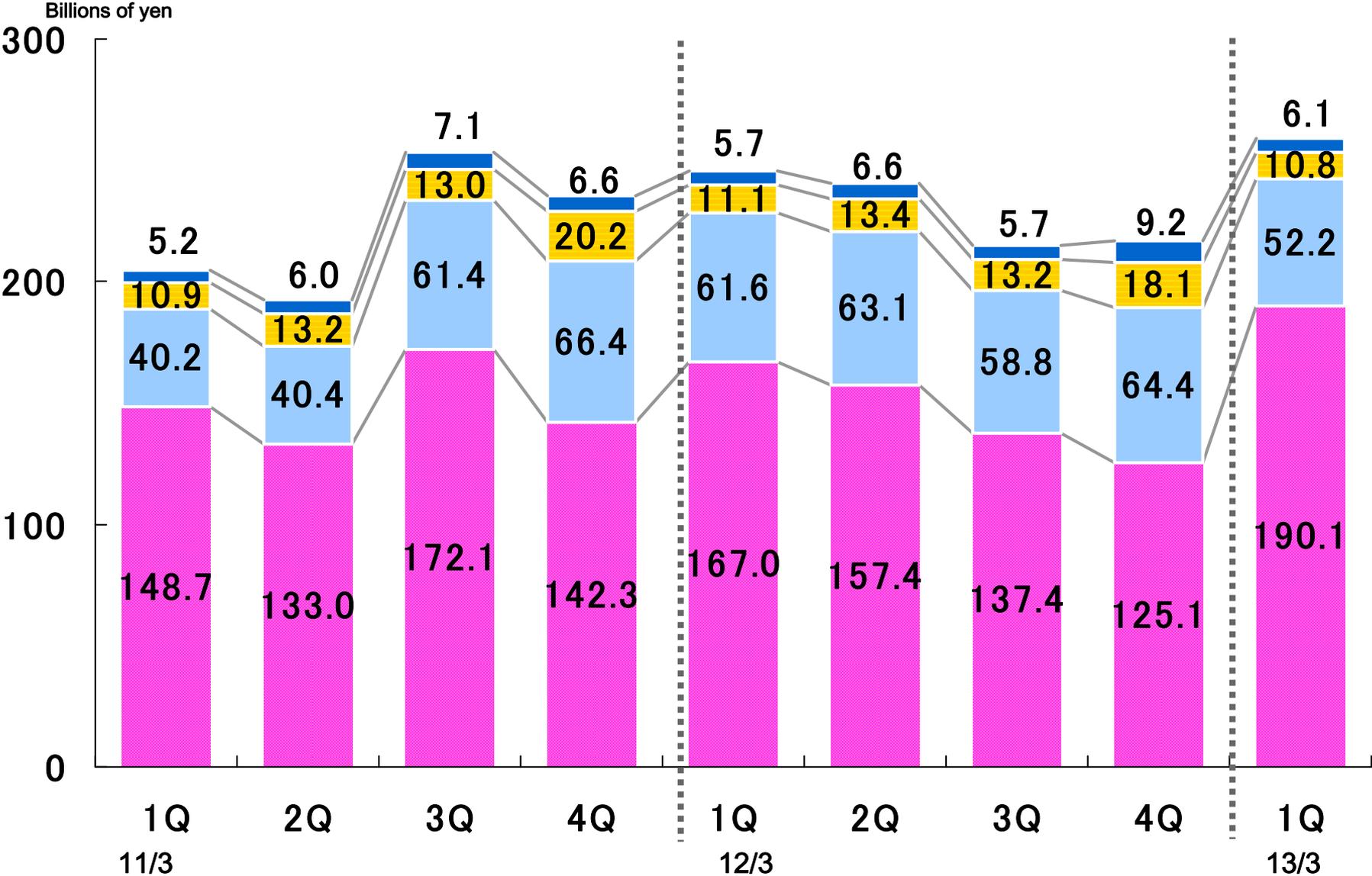
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Exchange Rate

13/3 Estimation

	Exchange Rate	Financial Impact from Fluctuation by 1 yen	
	13/3 Forecast for 2Q-4Q	Net Sales 2Q-4Q	Operating Income 2Q-4Q
US \$	80 yen	Approx.5.0 billion yen	Approx.0.5 billion yen
EURO	100 yen	Approx.1.8 billion yen	Approx.1.1 billion yen

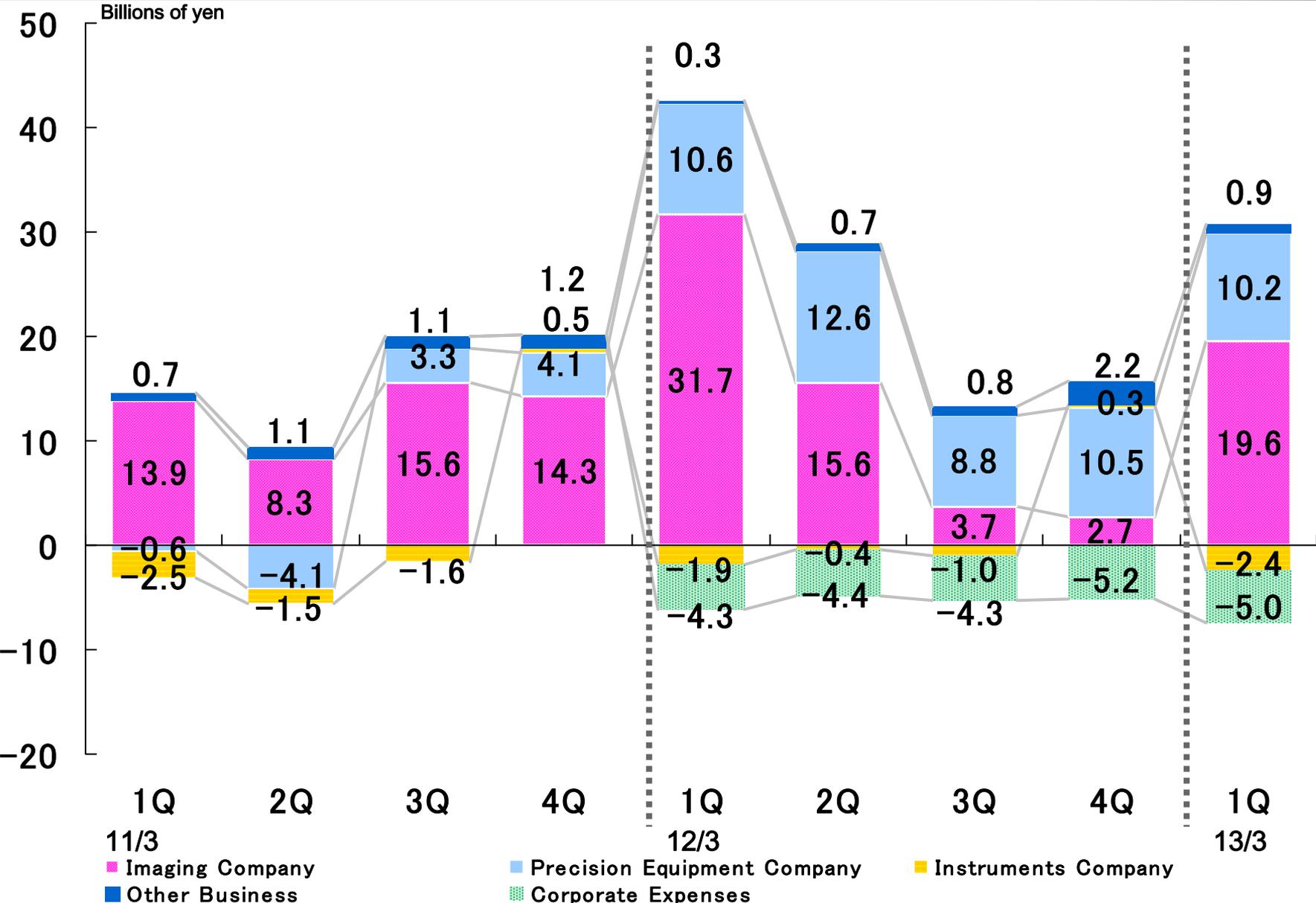
Quarterly Net Sales by Segment



■ Imaging Company ■ Precision Equipment Company ■ Instruments Company ■ Other Business

* Amounts in this statement are rounded down to the hundred million: the sum of breakdown values may not match the total.

Quarterly Operating Income by Segment



* Amounts in this statement are rounded down to the hundred million: the sum of breakdown values may not match the total.



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