



(Summary for reference only)

Date: August 8, 2005

Financial Results for the First Quarter ended June 30, 2005 (Consolidated)

Company name: NIKON CORPORATION

Code number: 7731

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Stock listings: Tokyo Stock Exchange, Osaka Securities Exchange

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

1. Notes to Consolidated Financial Statements

(1) Difference in Accounting Policies from the fiscal year ended March 31, 2005: Not Applicable

The practical estimation has been applied for the calculation of some allowances instead of actual basis.

The effect from change is not material.

(2) Changes in Consolidation and Equity method Policies

Consolidation New : 1, Exclusion : 0

Equity method New : 0, Exclusion : 0

2. Results of the First Quarter ended June 30, 2005 (From April 1, 2005 to June 30, 2005)

(Notes) 1. 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	Net Income	Change
1st Quarter ended June 30, 2005	¥157,393	13.9%	¥13,936	345.7%	¥13,886	329.9%	¥7,755	351.3%
1st Quarter ended June 30, 2004	¥138,242	22.5%	¥3,126	-	¥3,230	483.3%	¥1,718	-
(Reference) Year ended March 31, 2005	¥638,468		¥30,545		¥14,693		¥24,141	

	Net Income per share of Common Stock (Yen)	Net Income Per Share of Common Stock after dilution (Yen)
1st Quarter ended June 30, 2005	¥20.99	¥18.62
1st Quarter ended June 30, 2004	¥4.65	¥4.13
(Reference) Year ended March 31, 2005	¥65.19	¥57.84

(2) Financial Position

	Total Assets	Shareholders' Equity	Ratio of Shareholders' Equity to Total Assets	Shareholders' Equity per Share of Common Stock
1st Quarter ended June 30, 2005	¥643,599	¥201,715	31.3%	¥545.99
1st Quarter ended June 30, 2004	¥640,028	¥172,803	27.0%	¥467.91
(Reference) Year ended March 31, 2005	¥633,426	¥196,030	30.9%	¥530.41

(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
1st Quarter ended June 30, 2005	¥(10,144)	¥(4,616)	¥19,617	¥25,711
1st Quarter ended June 30, 2004	¥(5,560)	¥(2,060)	¥10,187	¥18,791
(Reference) Year ended March 31, 2005	¥47,128	¥(10,542)	¥(31,785)	¥21,507

3. Forecast for Year ending March 31, 2006 (Consolidated) (From April 1, 2005 to March 31, 2006)

	Net Sales	Ordinary Income	Net Income
1st Half ending September 30, 2005	¥320,000	¥14,000	¥7,000
Year ending March 31, 2006	¥680,000	¥23,000	¥13,000

(Reference) Forecasted earnings per share (full year) ¥35.19

(Reference) Forecast for Year ending March 31, 2006 (Unconsolidated) (From April 1, 2005 to March 31, 2006)

	Net Sales	Ordinary Income	Net Income
1st Half ending September 30, 2005	¥240,000	¥9,000	¥5,000
Year ending March 31, 2006	¥490,000	¥11,000	¥6,000

(Reference) Forecasted earnings per share (full year) ¥16.24

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

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of June 30, 2005		As of June 30, 2004		As of March 31, 2005	
		%		%		%
Assets						
Current assets						
Cash and time deposits	26,083		19,211		21,943	
Notes and accounts receivable-trade	127,424		130,344		125,107	
Inventories	255,677		254,407		245,623	
Other current assets	36,693		41,377		41,187	
Allowance for doubtful receivables	(2,499)		(2,700)		(2,735)	
Total current assets	443,379	68.9	442,639	69.2	431,126	68.1
Fixed assets						
Tangible fixed assets						
Buildings and structures	39,651		39,949		39,986	
Machinery, equipment and vehicles	33,328		32,748		33,041	
Furniture and fixtures	12,797		11,053		12,761	
Land	16,292		16,489		16,288	
Construction in progress	7,194		5,961		7,710	
Total tangible fixed assets	109,264	17.0	106,201	16.5	109,789	17.3
Intangible fixed assets	10,686	1.6	10,761	1.7	10,901	1.7
Investments and other assets						
Investment securities	59,521		61,522		62,244	
Other	20,857		18,953		19,474	
Allowance for doubtful receivables	(110)		(50)		(109)	
Total investments and other assets	80,268	12.5	80,425	12.6	81,608	12.9
Total fixed assets	200,219	31.1	197,388	30.8	202,300	31.9
Total assets	643,599	100.0	640,028	100.0	633,426	100.0

Consolidated Balance Sheets

Amount Unit: 1 Million Yen

	As of June 30, 2005		As of June 30, 2004		As of March 31, 2005	
		%		%		%
Liabilities						
Current liabilities						
Notes and accounts payable-trade	139,641		155,942		135,880	
Short-term bank loans	58,395		60,428		45,205	
Commercial papers	5,000		-		-	
Current portion of bonds	10,000		20,000		-	
Accrued income taxes	3,697		2,812		14,705	
Accrued expenses	24,451		31,807		34,351	
Warranty reserve	5,493		4,219		5,305	
Other current liabilities	33,821		17,887		30,654	
Total current liabilities	280,500	43.6	293,097	45.8	266,102	42.0
Long-term liabilities						
Bonds	135,500		145,500		145,500	
Long-term debt	5,658		6,413		4,633	
Liability for employees' retirement benefits	18,281		20,813		18,691	
Retirement allowances for directors and corporate auditors	294		-		1,035	
Other long-term liabilities	1,460		1,223		1,248	
Total long-term liabilities	161,194	25.1	173,950	27.2	171,108	27.1
Total liabilities	441,694	68.7	467,048	73.0	437,210	69.1
Minority interest	188	0.0	176	0.0	185	0.0
Shareholders' equity						
Common stock	36,660		36,660		36,660	
Capital surplus	51,930		51,927		51,930	
Retained earnings	110,692		84,022		104,478	
Unrealized gains on available-for-sale securities	6,426		5,844		7,297	
Foreign currency translation adjustments	(3,456)		(4,989)		(3,812)	
Total	202,254		173,465		196,554	
Treasury stock	(539)		(662)		(524)	
Total shareholders' equity	201,715	31.3	172,803	27.0	196,030	30.9
Total liabilities and shareholders' equity	643,599	100.0	640,028	100.0	633,426	100.0

Consolidated Statements of Income

Amount Unit: 1 Million Yen

	1st Quarter ended June 30, 2005		1st Quarter ended June 30, 2004		Year ended March 31, 2005	
		%		%		%
Net sales	157,393	100.0	138,242	100.0	638,468	100.0
Cost of sales	100,692	64.0	94,529	68.4	429,143	67.2
Selling, general and administrative expenses	42,764	27.2	40,585	29.4	178,780	28.0
Operating income	13,936	8.8	3,126	2.2	30,545	4.8
Non-operating income						
Interest and dividend income	497	0.3	703	0.5	962	0.2
Other income	1,590	1.0	2,043	1.5	3,825	0.5
Non-operating expenses						
Interest expenses	381	0.2	868	0.6	2,160	0.3
Other expenses	1,755	1.1	1,774	1.3	18,479	2.9
Ordinary income (loss)	13,886	8.8	3,230	2.3	14,693	2.3
Extraordinary gains						
Gains on sales of fixed assets	14	0.0	6	0.0	6,062	0.9
Gains on sales of investment securities	-		102	0.1	437	0.1
Proceeds from settlement of legal proceedings against Patent	-		-		15,878	2.5
Extraordinary losses						
Losses on sales and disposal of fixed assets	135	0.1	98	0.1	2,234	0.3
Losses on sales of investment securities	-		1	0.0	11	0.0
Cumulative effect of accounting change for the retirement benefits to directors, corporate auditors and officers	-		-		982	0.2
Other losses	2	0.0	-		400	0.1
Income before income taxes	13,763	8.7	3,239	2.3	33,443	5.2
Income taxes	6,000	3.8	1,516	1.1	9,288	1.4
Minority interest	8	0.0	5	0.0	13	0.0
Net Income	7,755	4.9	1,718	1.2	24,141	3.8