



Review for Medium Term Management Plan

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. Review for Medium Term Management Plan**
- II. New financial targets of Medium Term Management Plan
- III. Key objectives for the Year Ending March 31, 2008
- IV. Management Policy

Review for Medium Term Management Plan

Achieved most of the targets ahead of schedule.

Billions of yen	07/3	09/3 (Target in 06/3)	Status
Net Sales	822.8	900.0	Good
Operating income	102.0	90.0	Excellent
Ordinary income	89.6	80.0	Excellent
D/E ratio	30%	Under 30%	Excellent

For Creating a strong Nikon

-Enhancing competitiveness of main businesses.

* Explanation in the following pages

- Improving Cost of sales ratio through bolstering manufacturing competitiveness.

Cost of sales ratio: 64.2% (06/3) → 60.1% (07/3)

- Expanding Glass Business through new business and withdrawing from non-profitable business.

- Improving financial structure by significant reduction of Interest-bearing debt and raising Shareholder's equity ratio.

D/E ratio: 74% (06/3) → 30% (07/3)

Precision Equipment Company

Key Objectives	Status
No.1 share of ArF Immersion	Good
Enhancing cost competitiveness	Good
Further expanding the market share in the large LCD scanner market	Excellent

Imaging Company

Key Objectives	Status
Maintaining market position as the SLR-DSC leading company	Excellent
Adding more value to compact DSC	Fair
Strengthening manufacturing competitiveness	Good

Instruments Company

Key Objectives	Status
Developing solution business in the live-cell imaging field	Good
Developing Non-contact vision based measuring systems utilizing image processing technology and creating series lineup of auto macro inspection equipment	Good
30% reduction of development lead-time	Good

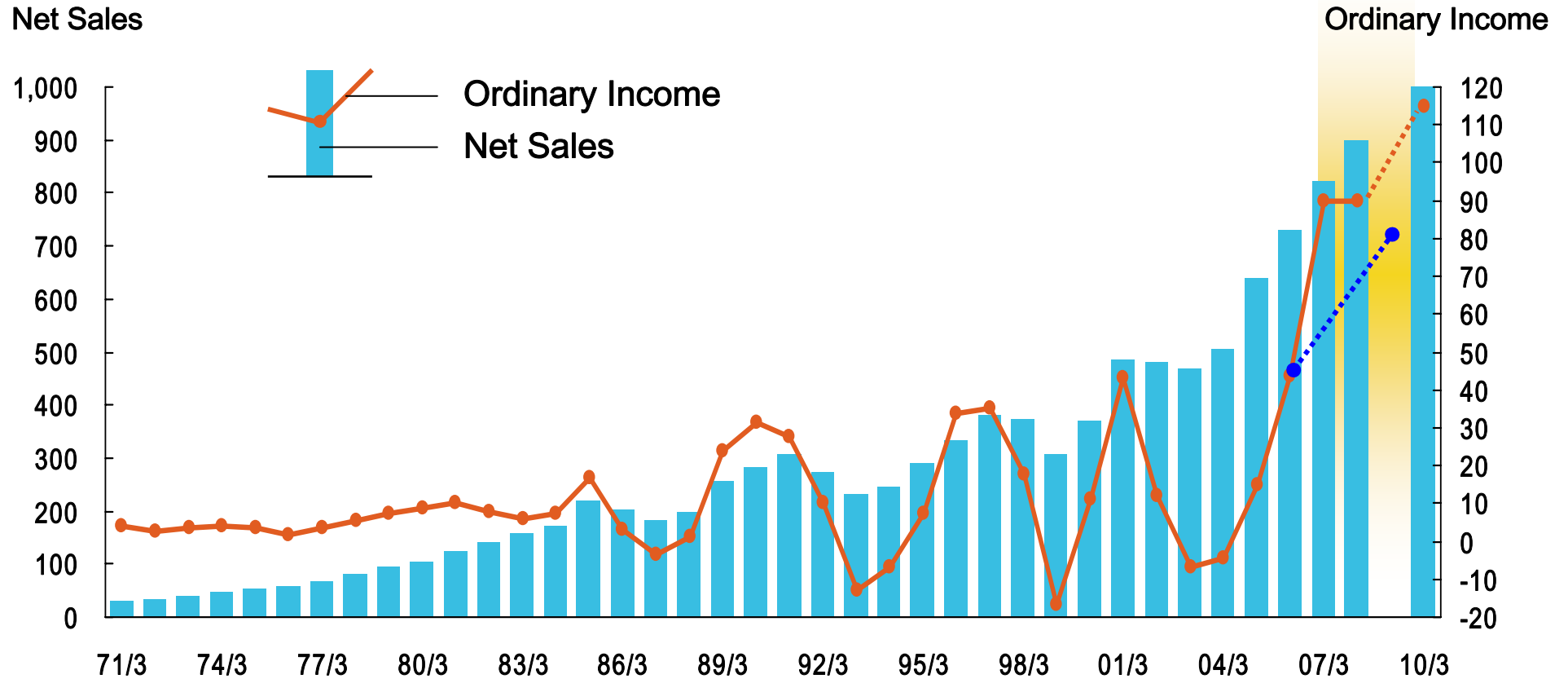
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Financial results

Billions of yen

Net Sales



* 1970-1976 : Non-consolidated net sales and ordinary income
 After 1977: Consolidated net sales and ordinary income

●.....● our estimation announced last year



New financial targets of Medium Term Management Plan

Billions of yen	07/3	10/3
Net Sales	822.8	1,000.0
Operating Income	102.0	125.0
Ordinary Income	89.6	115.0

Exchange rate:

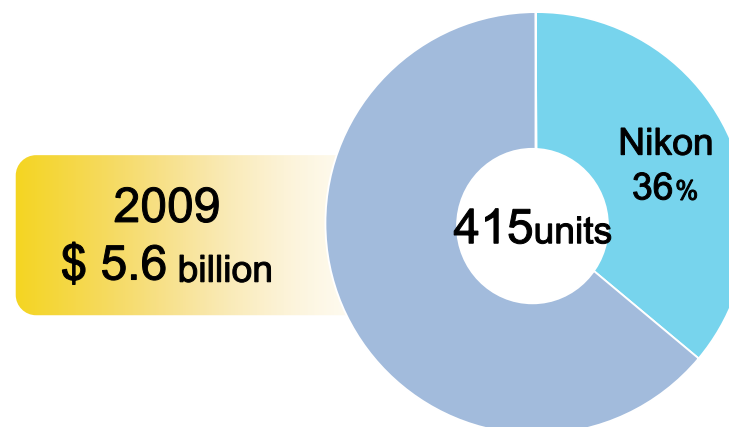
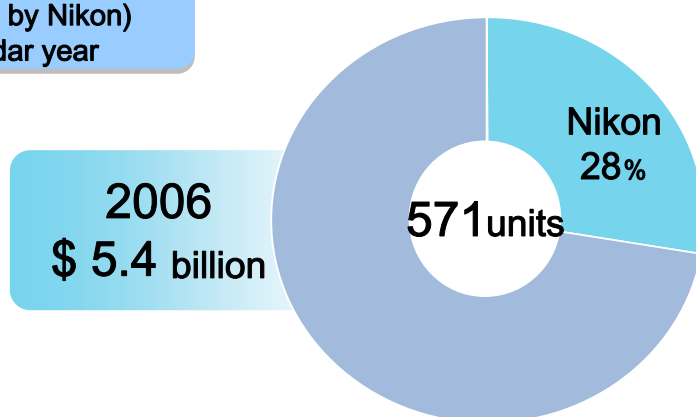
07/3(actual) US\$:118.05 yen, Euro 157.33 yen

10/3(forecast) US\$:110 yen, Euro:140 yen

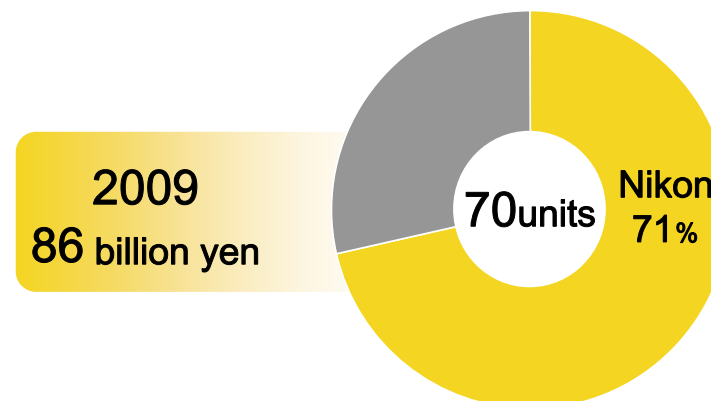
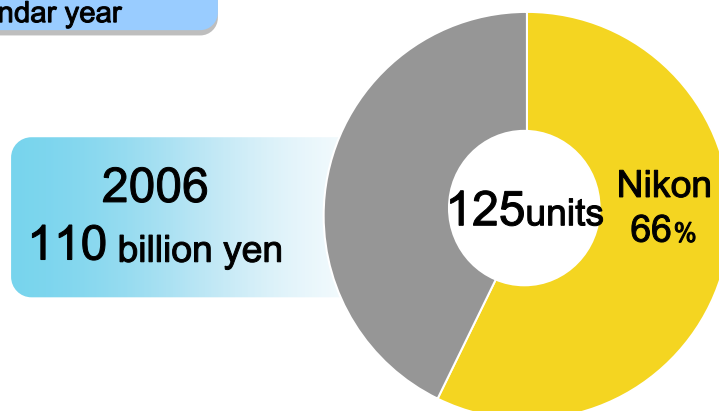


Precision Equipment Company: Worldwide market size

IC Steppers & Scanners
(Forecast by Nikon)
*calendar year



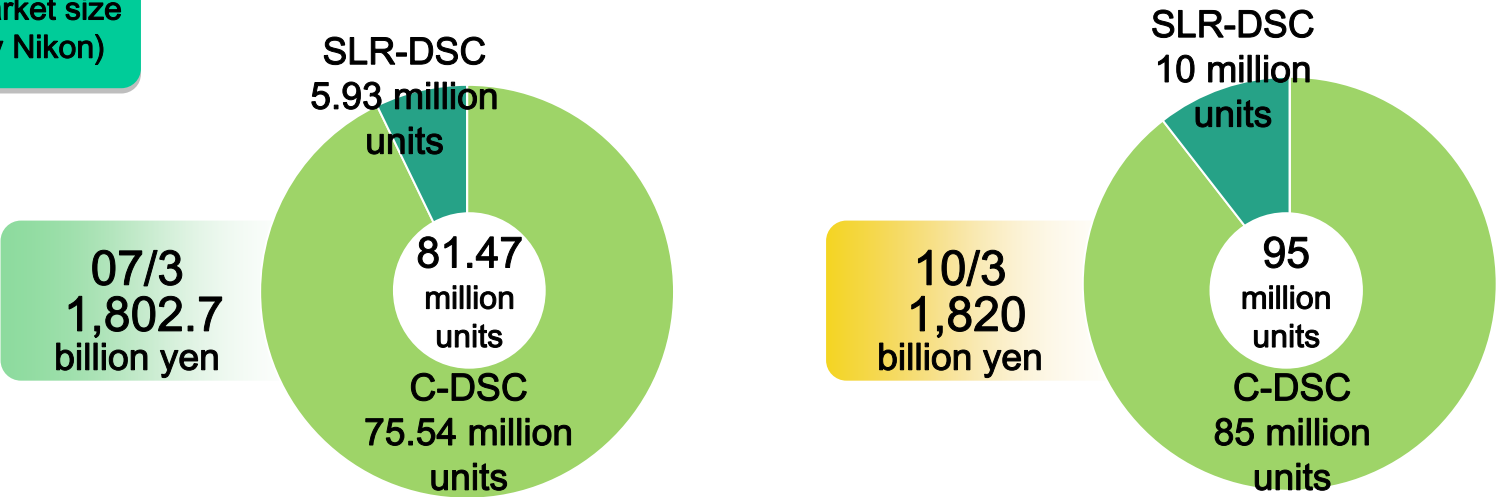
LCD Steppers & Scanners
(Forecast by Nikon)
*calendar year



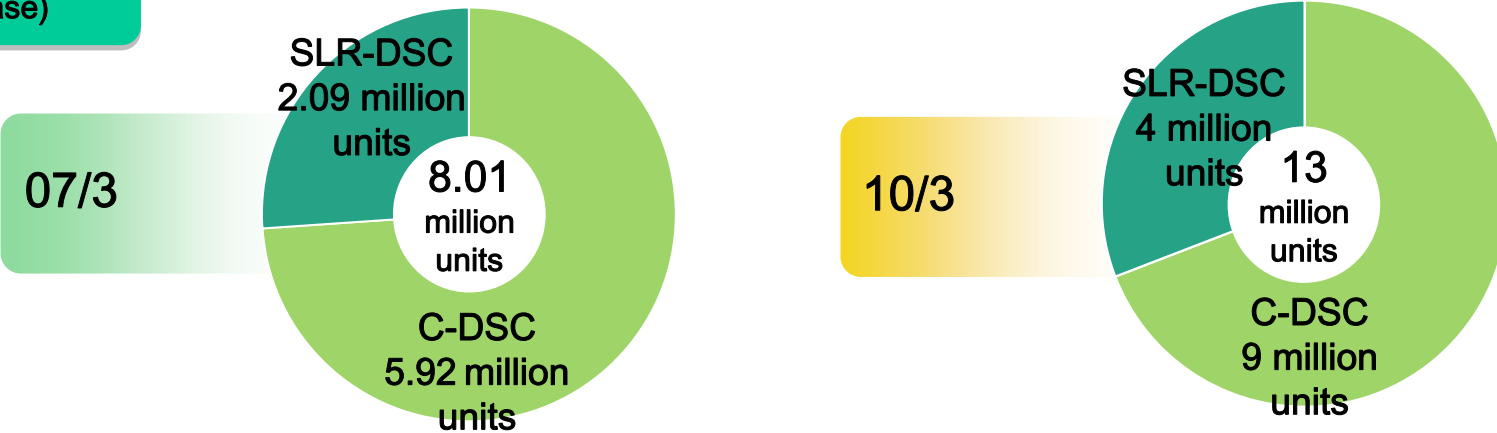
* LCD steppers for color filter are not counted in the market size.

Imaging Company

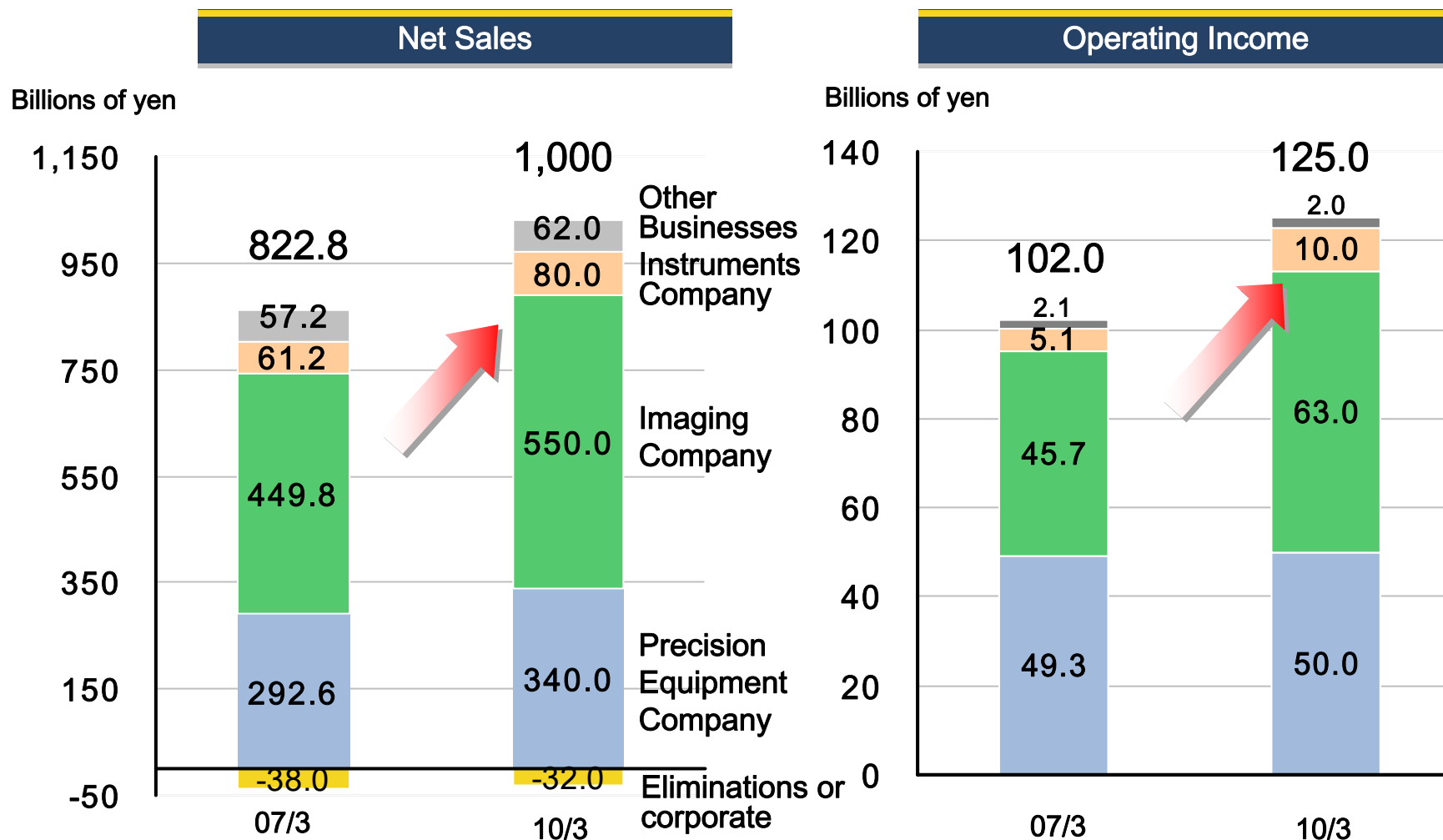
Worldwide market size
(Forecast by Nikon)



Nikon's Forecast
(Shipment base)

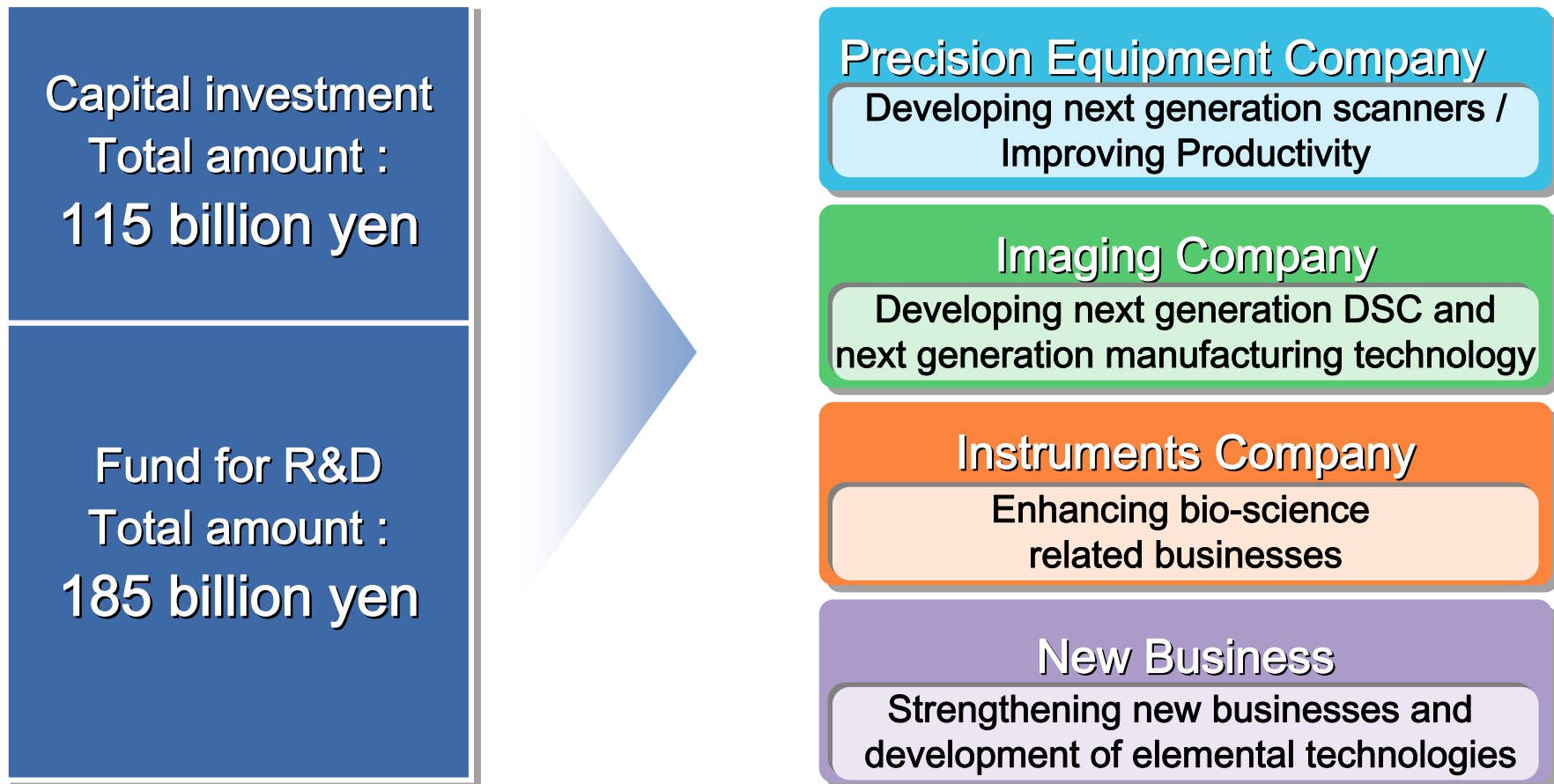


Consolidated financial target of each Company



Plan of Capital investment and R&D (08/3 - 10/3)

Expanding investment for Next generation products development,
Productivity improvement and New market exploration.



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Key objectives for the Year Ending March, 2008

For creating and establishing a strong Nikon

- Enhancing competitiveness of main businesses with cutting-edge technology and products as core.
- Strengthening cost competitiveness through promoting rationalization of entire Nikon Group.
- Improving Cash Flow and creating solid financial structure through reducing Inventory and effective use of Asset, etc.

Precision Equipment Company

- Achieving solid sales of NSR-S610C and establishing production increase system of ArF immersion equipment
- Enhancing competitiveness through NSR-SF150 and IC scanners equipped with tandem stage
- Early developing next generation LCD Steppers & Scanners based on customers' needs

Imaging Company

- Maintaining market position as the SLR-DSC leading company
- Placing a premium on COOLPIX brand and increasing its market share
- Extending image-sharing service via internet

Instruments Company

- Expanding solution Business around BioStation
- Accelerating global sales mainly with CNC Video Measuring System "NEXIV" and Semiconductor Inspection Equipments "AMI"

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Our Aspirations

Meeting needs. Exceeding expectations.

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Meeting needs. Exceeding expectations.

- Providing customers with new value that exceeds their expectations.
- Sustaining growth through a break with the past and a passionate commitment by one and all.
- Maximizing our understanding of light to lead the way towards transformation and a new future.
- Maintaining integrity in order to contribute to social prosperity.

Our commitments

Be pro-active

Be broad-minded and well-informed in order to act quickly and resolutely.

Seek new knowledge

Pioneer new potential through self-study and insatiable curiosity

Communicate well

Harmonize diverse skills by thinking out of the box and communicating effectively with others.

Display integrity

Work with diligence and sincerity as a responsible individual.



NIKON CORPORATION