Message from Management

"Recycling"... "coexistence"... these are key concepts that have served as guidelines for the broad range of activities we have undertaken in the name of environmental preservation since 1992, when we issued the "Nikon Basic Environmental Management Policy."

The world we live in is experiencing numerous difficulties, including global warming and the pervasion of pollutants into the environment. There is considerable pressure being brought to bear on corporations to take a more proactive stance with regard to preservation of the environment. At the same time, the company's performance with regard to Corporate Social Responsibility (CSR), exceeding the boundaries of environmental protection to the achievement of sustainability, has also become a key indicator of corporate value. In recognition of the importance of this developing business environment, we formulated the "Nikon Charter of Corporate Behaviour" in April of 2004. It sets forth basic action guidelines for the entire Nikon Group, including not only compliance with laws and regulations, but also defining appropriate behaviour from an ethical standpoint as a good corporate citizen.

We are proud to declare that we have attained numerous goals established in the "Nikon Environmental Action Plan" for fiscal 2004, which defined Group-wide mid-term environmental targets. We achieved zero emissions for all Nikon plants, as well as for three major Nikon Group manufacturing subsidiaries. CO2 emissions, recognised as a major cause of global warming, have been successfully reduced to our environmental targets. Our efforts to minimise the environmental impact of our products continue unabated. This includes IC steppers, LCD steppers, cameras, microscopes, measuring instruments, surveying instruments, binoculars and customised equipment. One of our primary objectives has been to increase the usage of Eco-glass, and today its use in consumer products has climbed to 97%. In accordance with the increasingly stringent chemical regulations in Europe and elsewhere, we have developed technologies for lead-free soldering and surface processing, and are further strengthening our green procurement policy while investigating the potential of a host of exciting new materials.

Amid these developments, we have reviewed the Nikon Environmental Action Plan and expanded it for fiscal 2005. The most prominent revision was the establishment of concrete targets for reductions in greenhouse gas emissions for fiscal 2011. Through these and other efforts, we pledge to do everything within our power to support and advance the prosperity and fulfilment of humankind.

We hope that this report provides a clear picture of our corporate activities for the achievement of sustainability. We welcome and greatly appreciate your input.



Shoichiro Yoshida Chairman of the Board and Chief Executive Officer

Shoichire Yoshida



Teruo Shimamura President, Member of the Board and Chief Operating Officer

Temo Shimamuraf