



Workforce Diversity at Nikon

The Nikon Group has been conducting activities to promote diversity since 2006, with the main focus in Japan on the advancement of women in the workplace. We plan to further strengthen these activities, and during the year ended March 31, 2012, we hosted a dialogue between experts on the topic of diversity, with an aim of summarizing the current issues and mapping out future efforts.

Participants (official titles are correct as at the time of the dialogue)

| | |
|-----------------------|--|
| Mr. Kazutaka Okubo | Partner, CSR Promotion Officer, Certified Public Accountant Ernst & Young ShinNihon LLC |
| Mr. Naoki Atsumi | Specialist Committee Member, Council for Gender Equality, Cabinet Office Director, Diversity and Work Life Balance Research Department, Toray Corporate Business Research, Inc. |
| Mr. Kenichiro Akiyama | Representative Director, MINORI Management Research Institute * Oversees the Diversity Training for Managers at Nikon Corporation |
| Kenichi Kanazawa | Director and Operating Officer, Nikon Corporation (Director responsible for human resources) |
| Masahiko Yoshida | General Manager, Human Resources Department, Business Administration Center, Nikon Corporation |
| Toshiko Hakamata | General Manager, CSR Department, Corporate Planning Headquarters, Nikon Corporation |
| Aki Wakamiya | Manager, Product Planning Section, Bioscience Marketing Department, Instruments Company, Nikon Corporation |
| Atsushi Godai | President, Nikon Imaging Japan Inc. |

Okubo (Here in after “—”) The aim of today’s stakeholder dialogue is to seek the advice of external experts in presenting specific problem areas at Nikon in the hope that this will lead to clues for finding solutions to these problems. I guess the key words for today are the diversification of value and markets, plus innovation. To begin with, I will ask the experts to present their views on any existing issues at Nikon.



Facilitator: Mr. Kazutaka Okubo



Mr. Naoki Atsumi



Mr. Kenichiro Akiyama

Atsumi At present, Nikon Corporation has better work-life balance arrangements than most other companies in Japan, but the level of females appointed to managerial positions is relatively low. Overseas, and particularly in Europe, there has been a push to require companies to achieve a certain ratio of female officers. For companies like Nikon, which are expanding their global presence, any delay in efforts for diversity could handicap their business in the future.

Akiyama I believe that diversity is the foundation of management. I see a good manager primarily as someone who ascertains the character differences of each of his/her subordinates, and who can enable them to reach their own potential. I think that such an environment engenders innovation, and this leads to increased competitiveness for the whole company.

— Looking from within Nikon, what do you see as the issues for promoting the advancement of women in the workplace?

Hakamata Led by the CSR Committee, Nikon has been committed to promoting the advancement of women in the workplace for six years. Recently, various systems have been set up which provide support for workers caring for their children or other family members. Although these activities need to be rolled out globally, at present, the initiative which Nikon Corporation leads to improve are limited to Nikon Corporation and five Group companies in Japan. Considering that it has been six years, this is slow. In order for these activities to expand to other Group companies, the whole Group needs to recognize this as a common challenge.

Godai When it comes to staffing plans such as the number of new recruits, Group companies like ours are strongly influenced by the parent company, Nikon Corporation. In addition to offering more opportunities for women in the workplace, at the same time, we

must also consider how people with diverse backgrounds, such as those with different employment patterns and past careers, can play an active part in the company. This will lead to revitalization within the company.

Wakamiya Although my workplace seems to have a relatively large number of females, it is mostly the male employees who get temporarily transferred overseas for instance. I wonder why this is.

Atsumi My way of thinking is that: *Females are a majority among minorities. In a workplace where not even females can take an active part, it would be difficult to promote diversity[□] for other minorities, such as for non-Japanese employees.* In the process of promoting the advancement of women in the workplace, people often mistake thoughtfulness for reserve: *I cannot send her on a tough business trip overseas because she is a woman.* However, a “severe” stance is sometimes required. On the other hand, companies should be responsible for being “fair” (fair treatment) and taking “care” (expansion of systems to support people with different constraints).

— On the reality of a low ratio of females in managerial positions, what do you think about your personnel evaluations?

Yoshida Evaluations at Nikon are conducted with equality for both men and women, but there is the issue of how parental leave and other blank periods should be taken into consideration when evaluating the performance of women.

Atsumi The evaluation of blank periods is a common issue for all Japanese companies, and they each deal with it in their own way.

Akiyama I do not think that blank periods need to be perceived negatively. For the person taking the leave, it is a time for them to learn new things and broaden their experiences. I would say that different perspectives are needed for evaluating everyone’s individual differences.

Hakamata On the topic of evaluations—and this is just a tentative theory—another possible argument is that managers are reserved and do not give female employees work through which their performance can be evaluated.

Godai As I think there are some areas men can do better, on the other hand, some areas women can do better, we should recognize this balance.

Akiyama If a company sticks to male-dominant management and/or male ways of doing things, females will continue to get poor evaluations. Differences in style end up affecting appraisals.

Kanazawa There are more females than males who quit their jobs in mid career. Through the discussion so far, maybe we need to reconfirm whether females are been assigned challenging and self-fulfilling work.

Wakamiya Some women are in charge of important work. I reckon there may be a disparity in the perceptions of men and women as to whether they have an eye on a future managerial position.

Atsumi Women who take up managerial positions have five resources in common. I use the acronym “MR. PUP” to denote these resources. “M” stands for Mentor. “R” indicates a variety of Role models. “P” is Partners who support both in the workplace and at home. “U” stands for “*U-shu*” in Japanese which means capability and includes an attitude of learning from others and an interest in expanding one’s network. And, finally, the second “P” stands for Positive thinking. I believe that women who aspire for managerial positions have this second P.

— I’d like to move the discussion toward finding the direction that Nikon should pursue.

Akiyama I think Nikon has cleared the stage of understanding the concept of diversity. The next step would be for Nikon to create several workplaces or project teams within the company which are actually diverse in nature. In a new environment, problems will occur on a practical level. When they arise, some people will raise negative views, such as, “Is there really any point in doing this?” But the key to promoting diversity is to have in-depth discussions which also include these negative views. Once examples of success emerge, efforts will pick up pace.

Atsumi What should Nikon do to create diverse workplaces? I think it is important to create a workplace culture, and for this, I reckon that providing “hands-on minority experiences” is extremely effective. By experiencing feelings of alienation and loneliness, people can personally understand the support needed by minorities. Diversity is a management strategy. Just as with herbal medicines, it might take some time for the strategy to take effect, but it will undoubtedly link to corporate performance. These effects will be four-fold: 1) securing good personnel; 2) improving employee motivation; 3) forming an efficient organization; and 4) promoting innovation. Diversity needs to be recognized as a management issue.

Yoshida In the Human Resources Department, rather than waiting for workplace attitudes and culture to change, we will take positive measures.

Solutions for these challenges (summary)

► Development of a workplace culture

Shock treatment will be needed at times → Problems will be revealed

- Raise and share awareness within the company of why diversity is necessary
- Personnel rotations
(Both managers and their staff get to experience accepting things that are different in nature)
- Numerical targets
(Having an opportunity to discuss the numerical targets is also effective for visualizing the problems)

► Attitude surveys to confirm the effects



Diversity is a management issue.

In closing

Kanazawa Within the management team, we have given a great deal of attention to diversity. But this has not actually led to the company to complete change yet. Going forward, we will put the various suggestions received today to good use. Thank you.

Web Stakeholder Dialogue[□]

<http://www.nikon.com/about/csr/feature/dialogue/>

Labor Environment for Employees

Global Management of Issues Related to Human Rights and the Labor Environment

In an initiative aimed at developing our global management system for human rights and labor environments which are issues of great social concerns — Nikon Corporation continues to monitor Nikon Group companies to comprehend their situation and identify challenges in this area.



Highlights Improvements in the Labor Environment via Responses to the Great East Japan Earthquake

With the Great East Japan Earthquake and the subsequent planned blackouts, the year ended March 31, 2012 forced us to think about the way we work.

Immediately after the earthquake, Nikon Group companies in Japan set about confirming the safety of their employees and damage to their houses. In addition, to take care of those employees affected by the earthquake while travelling on business and other employees who found commuting to work difficult due to transportation disruptions, and in response to planned blackouts and restrictions on the use of electricity, we made a number of decisions on our working hours framework, for instance adopting a rotating basis for our operations during the summer months. We also established a new system of special leave for employees participating in reconstruction support activities in affected areas, and we provided assistance to help with transport and accommodation costs.

Furthermore, in response to the planned blackouts, we could not take across-the-board action because each workplace district had a different pattern of blackouts. Furthermore, power supplies were being cut during prescribed working hours, and power outage patterns were only being announced just before they came into effect. For these reasons, we expanded our flexible working arrangements. As for operating on a rotating basis during summer, in order to mitigate the childcare and nursing care costs incurred by workers for whom weekends and national holidays had become prescribed working days, we provided assistance to help cover childcare and nursing care fees. In this way, this was a year when we reviewed the work-life balance.

Every year, Nikon Corporation runs the Working Hours Campaign from autumn through to winter. During the Working Hours Campaign for the year ended March 31, 2012, we surveyed workplace managers, and we reacquainted them with raising awareness for the curtailment of excessive overtime work and with ensuring prior application and prior directives for overtime work. Furthermore, the Personnel Department collected information on difficulties in managing employees' working hours, and conducted awareness-raising activities on a case-by-case basis for workplace managers found to be in need. In addition, in order to raise awareness for costs, we prepared a simplified chart on meeting costs, and posted it in the meeting rooms at workplaces.



Meeting costs simplified chart

Voice The Working Hours Campaign was a good chance to review the way we work

I reckon the Working Hours Campaign is a good chance to review the way we work day to day. The company has introduced an array of measures, such as “no overtime” days and the planned use of annual paid leave. But just introducing a system is not good enough. It needs to be regularly inspected. By both the company and employees thinking about how we each work efficiently, my hope is to use the Working Hours Campaign as an opportunity to make an even better working environment.

Shinichi Ishida

Assistant Manager, Labor Planning Section, Human Resources Department,
Business Administration Center, Nikon Corporation



Measures for Management

With an aim of having a common human resources vision shared across the Nikon Group, since the year ended March 31, 2012, we have been working on interviewing the persons responsible for human resources at the major Group companies around the world.

Monitoring Group Companies

Carrying on from 2011, a monitoring survey was conducted in March 2012, aimed at the global management of human rights and labor environments in the Nikon Group.

The survey covered a broad range of content, from questions on human rights and labor environments (such as about child or juvenile

workers, labor unions, welfare systems, incidents of discrimination and disciplinary cases) to questions on diversity[□] (such as the advancement of women in the workplace and the employment of people with disabilities). With an emphasis on Group companies in the Asian region, additional questions were surveyed to confirm whether they had sufficient rules in place for human rights and labor compliance[□].

The results of this round of surveys did not uncover any material problems across the entire Group. Monitoring has allowed us to also understand the real conditions in each country that would not otherwise be possible with quantitative data alone.

We will provide feedback on the results of this survey to each of the Group companies, and we will set appropriate indicators and targets in preparation for the next monitoring survey.

Through these monitoring surveys, we will endeavor to grasp each company's actual conditions and to promote CSR[□] globally.

Human Rights Education

During the year ended March 31, 2011, we provided education on the UN Global Compact[□] both in Japan and overseas. Through this education, we worked to spread understanding of human rights among employees. During the year ended March 31, 2012, we continued to provide the same education, this time to overseas Group companies that missed out previously and to employees in Japan who had not yet taken the e-learning program (including new employees). This education will be ongoing in the future.

At Nikon Corporation, we regularly conduct short courses in the training program for new employees, where human rights education is included with topics such as discrimination and sexual harassment.

Personnel System

Nikon Corporation classifies employees into three levels (Junior Staff, Senior Staff, and Professional/Management) according to their abilities, and clearly states their respective responsibilities. When deciding to promote employees to a higher level, the company conducts an examination to check whether they fulfill the requirements of each level. We have a dual-track system, namely a professional level and a management level, where employees are given the opportunity to choose whether to work as a specialist and make use of their knowledge and skills, or as a manager and exercise their strengths as an organizational leader. Employees who are soon to make a choice between the two can attend career planning sessions and receive support for their career development. Performance-linked grades are also set for each of these levels to create an environment where work can be carried out with a constant awareness of objectives and feeling of purpose. In addition, the company has a system under which subordinates meet with their managers to decide on the targets they will pursue. This system helps employees understand the results of their performance evaluation as well as nurture and develop their individual abilities.

Human Resource Development

Nikon Corporation has built its training system based on the following three ability indicators linked with its personnel system: target setting

and achievement ability; communication ability; and educational ability, and offers a range of educational courses and systems for employees to receive skill-up training according to their level and job details. Employees of Group companies in Japan also participate in the training provided by Nikon Corporation. In the fiscal year ended March 31, 2012, Nikon Corporation held a total of 182 stratified training and business skills training courses, which were attended by a total of 6,047 employees. In addition, 195 engineer training courses were held for a total of 2,188 employees. The average Nikon Corporation employee spent 2.07 days in training during the year. Group companies also implement their own human resource development and training programs.

Developing Our Global Human Resources

As business environments increasingly globalize and the demand for human resources with the ability to drive innovation and business expansion in international markets grow more pressing, Nikon Corporation is building the optimal system to develop human resources.

During the year ended March 31, 2011, we introduced the Overseas Foreign Language Training Program to foster talented employees who can play an active role especially in developing countries. Under this program, employees who have been selected by their department leave their jobs for a certain period of time to devote themselves to foreign language training. The training consists of it in Japan for two months and overseas training for four to eight months.

During the year ended March 31, 2011, overseas training was held in China, Russia and Brazil. During the year ended March 31, 2012, the target countries were expanded to include Thailand. Furthermore, up until the year ended March 31, 2011, the total period of training had been set at about ten months. However, during the year ended March 31, 2012, the training program was enhanced by setting an overall range of six to ten months to allow for the times of year when employees are transferred to new posts. So far, the first two groups of trainees have completed the language program, and all of them have taken up local posts at the end of the program. The program being run in the year ended March 31, 2012 is for the third group of trainees. The future goal is to ascertain the needs of the departments and customize the content of the training to bring it in line with the nature of the work following appointment to the new post.

Human Resource Department of Nikon Corporation did group-wide interview the need for the teaching of multiple languages in addition to the current English-language education. Based on the results of these interviews, foreign language training programs were started during the year ended March 31, 2012 for Chinese, Korean, Thai, Russian and Portuguese programs.

Labor-Management Relations

Nikon Corporation has two labor unions, each comprised of Nikon Corporation's regular employees: the Nikon Labor Union (a member of the Japanese Association of Metal, Machinery, and Manufacturing Workers (JAM), which is mostly made up of small and medium-size companies in the metal industry), and Nikon Chapter of the All-Japan Metal and Information Machinery Workers Union (JMIU).

As of March 31, 2012, the Nikon Labor union has 5,049 members and the JMIU Chapter seven, which totals 5,056. The company and

Labor Environment for Employees

the unions discuss various issues related to the labor environment, hold joint study meetings, and exchange opinions as necessary. At Nikon Group companies in Japan, Nikon Labor Union chapters and employee-elected representatives serve the same function. At overseas Group companies, problem solving is facilitated either by the company's in-house union, through membership in an outside labor union, or at companies with no labor union, through information sessions held for all employees, discussions with employee groups, or one-on-one talks with individual employees. As a result, labor-management relations at this moment are largely in good condition.

When a substantial change is made to an employee's job, the Nikon Group discusses the matter with his/her union or employee representative, obtains its prior approval, and then takes time to communicate it to the employee. In the year ended March 31, 2012, following labor-management discussions at a number of Group companies, operations were run on a rotating basis during summer as a countermeasure against the demand for electricity, and other power-saving measures were implemented. Some personnel systems were also revised at the Group companies.

Health and Safety of Employees

Health and safety activities for all members at Nikon Group companies in Japan

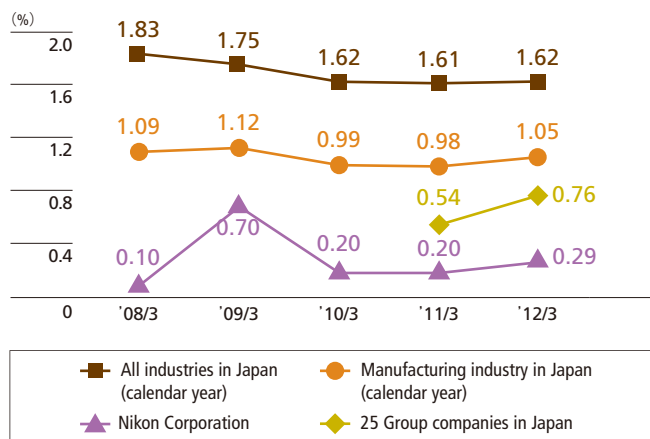
Nikon Corporation maintains "Policies for Health and Safety" to secure the Health and Safety of its employees—the foundation of all corporate activity—and to be a vibrant corporation where everyone feels safe and lives actively. In addition to having a statutory Health and Safety committee, Nikon Corporation has its own special Central Health and Safety Committee, which investigates and deliberates on matters related to the company's Health and Safety policies and on the basic measures taken to maintain and promote employees' health. This committee is composed of representatives of both labor and management to ensure that the opinions of employees are actively incorporated into the measures implemented by the company. At all its workplaces, a set of health and safety targets have been formulated based on the workplace goals and policies, and relevant activities are conducted with the participation of all members.

Moreover, all workplaces are reducing their risk factors through risk assessments. As a result of these activities, the rates of frequency and severity of accidents resulting in lost work time at Nikon Corporation and Group companies in Japan are well below the average for the manufacturing industry nationwide.

Policies on Health and Safety for the Year Ended March 31, 2012

- Goal : A healthy, safe, vibrant corporation through deeper communication
- Policy 1 : Giving consideration to safety — Do not disregard unsafe behavior.
- Policy 2 : Promoting activities to improve health
- Policy 3 : Encouraging the creation of comfortable workplaces

Frequency Rates of Lost Time Accidents at Nikon Corporation and Group Companies in Japan



Severity Rates at Nikon Corporation and Group Companies in Japan

| | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 |
|---|-------|-------|-------|-------|-------|
| All industries in Japan (calendar year) | 0.11 | 0.10 | 0.09 | 0.09 | 0.11 |
| Manufacturing industry in Japan (calendar year) | 0.10 | 0.10 | 0.08 | 0.09 | 0.08 |
| Nikon Corporation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 25 Group companies in Japan | — | — | — | 0.01 | 0.01 |

* "0.00" indicates a rate of less than 0.005.

Preventing damage to health from overwork and promoting mental health

Nikon Corporation places great importance on protecting its employees from the health-damaging effects of overwork and on caring for their mental health. We are particularly diligent when it comes to mental health care. Initiatives include development of a consultation system, screening employees for poor mental health at regular health examinations and following up on their results, educating our managers, and offering full support for those returning to work after a mental health leave. In the year ended March 31, 2012, we also sought to promote personal health maintenance by distributing a stress web test to Nikon Group employees.

Lawsuit over former contract worker

In March 1999, a contract worker, who had been working at Nikon Corporation's Kumagaya Plant, took his own life, and the worker's bereaved family instituted a lawsuit claiming overwork. In September 2011, the Supreme Court ruled that it would not accept our application for final appeal against the case. We will continue to give due consideration to the health and safety of the people working at Nikon Group companies.

Raising health and safety management standards in the Nikon Group

Nikon Corporation is working to increase health and safety management standards by providing various types of training for employees in charge of health and safety at Group companies in Japan, and by implementing policies and measures related to health and safety through its Personnel and Administrative Affairs Meeting for Group companies in Japan. In the year ended March 31, 2012, we worked to prevent occurrences of similar accidents by taking the database of accident data posted on the Nikon Group intranet and sharing it across the Nikon Group.

In order to ensure the safety of Nikon Group employees taking on restoration work at Nikon (Thailand) Co., Ltd., which had sustained damage during the 2011 floods in Thailand, we conducted awareness-raising activities (such as strengthening measures against infectious diseases and pointing out occupational precautions) and we provided health and safety guidance based on the results of on-site reviews conducted by the Nikon Corporation Health and Safety Department.

In addition, Sendai Nikon has been certified according to OHSAS 18001, an international certification standard for occupational health and safety management systems, since December 2001 and Nikon (Thailand) Co., Ltd. since September 2010.

Promotion of Diversity Activities

The Nikon Group employs people with a diverse range of backgrounds. By respecting their diversity and human rights and by treating them fairly, our basic policy is to develop an environment in which employees can make the most of their abilities and produce results as a team. We currently focus on efforts in Japan, such as supporting the progress of women in the workplace and assisting people with disabilities.

Highlights

Diversity training for managers aimed at enhancing the advancement of diverse employees

Since the year ended March 31, 2008, Nikon Corporation has been working to improve its diversity management. We trialed diversity training for a number of managers during the year ended March 31, 2011, and since the year ended March 31, 2012, we have expanded it to include all managers. This training focused on the management of female employees — who are in the minority in the workplace — and on the management of subordinates from different generations, and included a review of scientific evidence and important points for communicating.

During the year ended March 31, 2012, five sessions were held, attended by 118 managers. A study meeting on diversity management was also held for 11 directors on February 6.

In order to create a workplace culture that takes full advantage of differences, we will continue to develop a common understanding of diversity management by further expanding the training to also cover general managers and above.



Diversity training

Voice Attending the diversity training for managers

I attended a diversity training session in November 2011. For me, it was an opportunity to learn about differences in how men and women communicate, as well as about the generation gap, the importance of making use of differences and about how the things a manager says or does without thinking can affect his/her team. After getting back to the workplace, I shared the details of the training with my coworkers, and I have also tried to set aside more time for casual chats and to exchange views directly with them. As a result, I feel that, little by little, there has been an increase in situations that are good for everyone concerned. I think the way each of us feels differ, not just because of differences in gender or generation, but also because of our individual personalities. Therefore, when carrying out my duties with others in the workplace, I will remember to put myself in their shoes.

Akihiko Morishita

Manager, Fourth Development Section, Second Development Department,
Development Headquarters, Imaging Company, Nikon Corporation



Labor Environment for Employees

Appreciating Diverse Work Styles

Nikon Corporation pursues a basic policy under which it develops systems and measures to enable employees to work with ease of mind, make the most of their abilities, and produce results as a team. We also strive to manage our employees' working hours in consideration of the proper balance between work and personal life.

With regard to fixed-term workers and dispatch workers, we position staff based on staffing plans in each business unit, and we implement training seminars as the occasion demands. With respect to dispatch workers, we sometimes switch them over to direct employment depending on the nature of the work and the wishes of the worker.

Support for work-life balance

At Nikon Corporation, employees can take childcare leave for up to two years and work both flextime and for shorter hours to take care of their children and other family members. Since June 2010, in response to enactment of the revised Child Care and Family Care Leave Act, we have also made it possible for employees to take child or family care leave on an hourly basis. The company thus provides support that exceeds legally required standards, and is approved to use the KuruminTM Mark. We are steadily making preparations to institute these systems in our Group companies in Japan as well.

Number of Employees Taking Childcare Leave

Unit: people

| | | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 |
|---------------------------|-------|-------|-------|-------|-------|-------|
| Nikon Corporation | Men | 1 | 1 | 2 | 3 | 4 |
| | Women | 10 | 17 | 31 | 24 | 15 |
| Group companies in Japan* | Men | — | 0 | 0 | 0 | 1 |
| | Women | — | 16 | 15 | 28 | 28 |

*Permanent employees and non-regular staff in the Nikon Group (consolidated).

Re-entry system

Nikon Corporation provides employees, who have left the company for marriage, family care, spouse's job transfer or for other unavoidable reasons, with opportunities to try re-entering the company.

Telecommuting

Nikon Corporation introduced telecommuting systems at those departments with a particularly strong need, and continued to run them there throughout the year ended March 31, 2012. We will keep on with the systems in order to increase work efficiency and provide more options for achieving a work-life balance.

Women in the Workplace

The Nikon Corporation employs and treats employees the same regardless of their gender. At Nikon Corporation, however, there are

large differences between the numbers of male and female employees and managers. We regard this situation as a challenge to be tackled and have been proactively setting concrete numerical targets and implementing measures to create a corporate culture where female employees can develop and display more of their skills.

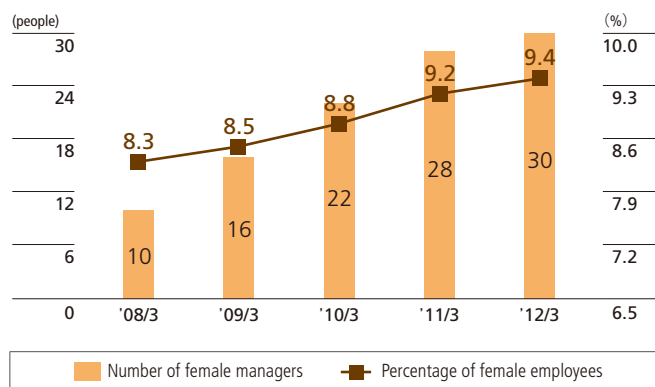
As one of the measures to support the advancement of women in the workplace, Nikon Corporation considers it necessary to first increase the number of female employees, and as such, we have set a medium-term target specifically for the percentage of women employees. We have been active in our recruiting activities to employ more women, and during the year ended March 31, 2012, we held a recruitment event targeting female engineers.

Numerical targets for promoting female advancement at Nikon Corporation

Percentage of women (permanent and non-regular staff) in the total number of employees:
at least 10% by the end of March 2013

Number of female sectional and higher-level managers:
22 at the end of March 2010 → double by the end of March 2015

Percentage of Female Employees and Number of Female Managers at Nikon Corporation



We also provided "self-fulfillment training" to help female employees develop their skills and business networks. During the year ended March 31, 2012, 44 employees from Nikon Corporation and 19 employees from Nikon Group companies in Japan participated in this training, bringing the total number of participants since the program's launch to 404.

We have also designated five Group companies in Japan as model companies for promoting the advancement of women in the workplace, and since the fiscal year ended March 31, 2011, we have set targets and implemented measures. Having considered the challenges and potentials of each company, we have conducted activities suited to their respective circumstances, such as expanding the scope of work for female employees through personnel rotations, and launching projects just for female employees that are deliberately targeted at female customers.

With an aim of promoting the activities at group companies other than the model companies, during the year ended March 31, 2012, we also conducted a qualitative survey to ascertain the actual

state of affairs at Group companies. Most Group companies responded with, "There are no current issues, since we provide equal opportunities for both men and women." The survey, however, showed that this, in itself, is one of the factors hindering the deliberate advancement of women in the workplace.

Furthermore, based on the results of this survey and on our current initiatives, in March 2012, we engaged in stakeholder dialogue[□] together with outside experts on the topic of diversity[□] (see P47). Taking into account the issues and opinions that emerged from the dialogue, during the year ending March 31, 2013, we will expand our activities for the advancement of women in the workplace to all Group companies.

Percentage of Female Employees

Unit: %

| | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 |
|--------------------------|-------|-------|-------|-------|-------|
| Nikon Corporation | 8.3 | 8.5 | 8.8 | 9.2 | 9.4 |
| Group companies in Japan | — | 16.7 | 17.0 | 17.0 | 16.8 |
| Overseas Group companies | — | — | 73.5 | 69.2 | 65.9 |

* Permanent employees and non-regular staff in the Nikon Group (consolidated). Includes Nikon Corporation employees who are temporarily dispatched to Group companies.

Percentage of Female Managers

Unit: %

| | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 |
|--------------------------|-------|-------|-------|-------|-------|
| Nikon Corporation | 0.9 | 1.4 | 1.8 | 2.3 | 2.5 |
| Group companies in Japan | — | 0.8 | 1.7 | 0.8 | 2.3 |
| Overseas Group companies | — | — | 19.4 | 25.1 | 24.9 |

* Permanent employees and non-regular staff in the Nikon Group (consolidated). Includes Nikon Corporation employees who are temporarily dispatched to Group companies.

* Managers include section managers or their equivalent and higher

Reemployment System for Retirees

The Nikon Group has introduced a system under which employees who meet certain criteria are given the opportunity to continue

Turnover

Unit: people

| | | '09/3 | | '10/3 | | '11/3 | | '12/3 | |
|--------------------------|-------|----------|--------|----------|--------|----------|--------|----------|--------|
| | | Retirees | Others | Retirees | Others | Retirees | Others | Retirees | Others |
| Nikon Corporation | Men | 111 | 50 | 133 | 59 | 154 | 78 | 149 | 70 |
| | Women | 10 | 8 | 4 | 7 | 3 | 11 | 4 | 10 |
| Group companies in Japan | Men | 16 | 81 | 19 | 62 | 42 | 56 | 49 | 66 |
| | Women | 3 | 39 | 2 | 29 | 1 | 14 | 7 | 31 |
| Overseas Group companies | Men | — | — | 17 | 160 | 17 | 154 | 16 | 191 |
| | Women | — | — | 2 | 80 | 10 | 61 | 6 | 93 |

* Permanent employees in the Nikon Group (consolidated). Excludes Group manufacturing companies outside Japan.

working for the company even after they reach the retirement age of 60. In the year ended March 31, 2012, about 80% of retirees at Nikon Corporation were reemployed and are actively working for the Nikon Group. A Life Plan Seminar is also held for employees who are approaching retirement age in the next year. The seminar offers them an opportunity to plan their lives after retirement.

Supporting People with Disabilities

Nikon Tsubasa Inc., a special subsidiary of Nikon Corporation, was established in the year 2000, to respond to legal requirements in Japan pursuant to the Act on Employment Promotion etc. of Persons with Disabilities. Its workforce has grown from an initial 10 persons with intellectual disabilities to 31 as of March 31, 2012, and it now also accepts orders from outside the Nikon Group. Supported by experienced staff and instructors, employees are engaged in works such as parts processing, packaging, assembly, and document digitization. In August 2008, Nikon Tsubasa Inc. opened a worksite within the Sagami-hara Plant of Nikon Corporation where its employees inspect finished glass products. The Nikon Group companies are striving to give Nikon Tsubasa Inc. more orders for work.

In terms of the statutory required percentage of disabled employees, Nikon Corporation, Nikon Tsubasa Inc., Nikon Systems Inc. and Nikon Business Service Co., Ltd. have obtained government approval to calculate the rate as a group, and have achieved the required standard. As for other Group companies in Japan, however, enforcement of the revised act resulted in four Group companies falling below this standard, and they are now subject to the Levy and Grant System for Employing Persons with Disabilities. These Group Companies will continue to recruit via HelloWork offices (public employment security offices) and participate in interview fairs.

Employment Rate of Persons with Disabilities at Nikon Corporation and Three Group Companies

Unit: %

| | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 |
|--|-------|-------|-------|-------|-------|
| Employment rate of persons with disabilities | 1.86 | 1.98 | 1.94 | 1.94 | 1.98 |

* Employment rate is as of June 1 each year, based on the figures reported to the government.