



company profile

1	<i>Financial Highlights</i>
2	<i>To Our Shareholders</i>
4	<i>Review of Operations</i>
8	<i>Board of Directors</i>
9	<i>Management Discussion and Analysis</i>
11	<i>Five-Year Summary</i>
12	<i>Consolidated Balance Sheets</i>
14	<i>Consolidated Statements of Operations</i>
15	<i>Consolidated Statements of Shareholders' Equity</i>
16	<i>Consolidated Statements of Cash Flows</i>
17	<i>Notes to Consolidated Financial Statements</i>
28	<i>Independent Auditors' Report</i>
29	<i>Corporate Directory</i>
31	<i>Investor Information</i>

Since our establishment in 1917, Nikon Corporation has been a leading pioneer in optical glass manufacturing technology in Japan, in turn achieving proven recognition for a wide range of high-quality optical equipment.

In addition to our distinctive lineup of premier single lens reflex (SLR) cameras, the Company manufactures a diverse range of industrial instruments, including steppers and other semiconductor manufacturing-related equipment, microscopes and measuring instruments. For the fiscal year ended March 31, 1999, the share of these industrial instruments accounted for 54.5% of total net sales.

Integrating our core technology of "micro and optics" with systems and electronics, Nikon will continue to strive to meet the diverse and changing needs of consumers and industries globally in the coming 21st century.



financial highlights

Nikon Corporation and Consolidated Subsidiaries
Years ended March 31, 1999 and 1998

	Millions of Yen		Millions of U.S. Dollars	%
	1999	1998	1999	Decrease
For the year				
Net sales	¥305,764	¥372,145	\$2,536,415	17.8%
Operating income (loss)	(8,741)	27,476	(72,510)	
Net income (loss)	(18,232)	8,318	(151,247)	
Per share of common stock (Yen and U.S. dollars):				
Net income (loss)	¥ (49.28)	¥ 22.48	\$ (0.41)	
Cash dividends applicable to the year	3.00	8.00	0.02	62.5%
At year-end				
Total assets	¥474,964	¥507,326	\$3,939,982	6.4%
Shareholders' equity	160,990	171,051	1,335,469	5.9%

Notes: 1. Per share of common stock is computed based on the weighted average number of shares outstanding during the year.
2. U.S. dollar figures are translated for reference only at ¥120.55 to U.S. \$1.00, the exchange rate at March 31, 1999.