

consolidated statements of operations

Nikon Corporation and Consolidated Subsidiaries
For the years ended March 31, 1999, 1998 and 1997

	Millions of Yen			Thousands of U.S. Dollars (Note 1)
	1999	1998	1997	1999
Net sales	¥305,764	¥372,145	¥379,089	\$2,536,415
Cost of sales	205,984	224,545	219,791	1,708,704
Gross profit	99,780	147,599	159,298	827,711
 Selling, general and administrative expenses	 108,521	 120,122	 112,385	 900,221
Operating income (loss)	(8,741)	27,476	46,912	(72,510)
Other income (expenses):				
Interest and dividend income	1,150	1,089	1,197	9,545
Interest expense	(5,641)	(5,953)	(6,608)	(46,799)
Equity in earnings of unconsolidated subsidiaries and associated companies	96	116	29	799
Other, net	(4,311)	(3,800)	(4,790)	(35,765)
	(8,706)	(8,547)	(10,172)	(72,220)
 Income (loss) before income taxes, minority interest	 (17,447)	 18,929	 36,740	 (144,730)
Income taxes (Note 9):				
Current	1,498	11,429	16,719	12,429
Deferred	(709)	(831)	72	(5,889)
 Minority interest	 (2)	 13	 11	 (23)
Net income (loss)	¥(18,232)	¥ 8,318	¥ 19,936	\$ (151,247)
 Per share of common stock (Note 2 (I)):				U.S. Dollars (Note 1)
Net income (loss)	¥ (49.28)	¥ 22.48	¥ 53.89	\$ (0.41)
Cash dividends applicable to the year	3.00	8.00	8.00	0.02

See Notes to Consolidated Financial Statements.