

# consolidated statements of shareholders' equity

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

	Thousands	Millions of Yen		
	Outstanding Number of Shares of Common Stock (Note 8)	Common Stock (Note 8)	Additional Paid-in Capital (Note 8)	Retained Earnings (Notes 8 and 13)
<b>BALANCE, APRIL 1, 1996</b>	369,927	¥ 36,660	¥ 51,909	¥ 60,088
Net income				19,936
Cash dividends, ¥8 per share				(2,774)
Bonuses to directors and corporate auditors				(40)
<b>BALANCE, MARCH 31, 1997</b>	369,927	36,660	51,909	77,210
Net income				8,318
Cash dividends, ¥8 per share				(2,959)
Bonuses to directors and corporate auditors				(40)
Adjustment of retained earnings for newly consolidated subsidiaries				(45)
<b>BALANCE, MARCH 31, 1998</b>	369,927	36,660	51,909	82,484
Adjustment of retained earnings for newly applied accounting for tax allocation				8,725
Net loss				(18,232)
Cash dividends, ¥3 per share				(1,479)
Bonuses to directors and corporate auditors				(20)
Adjustment of retained earnings for newly consolidated subsidiaries				946
<b>BALANCE, MARCH 31, 1999</b>	<u>369,927</u>	<u>¥ 36,660</u>	<u>¥ 51,909</u>	<u>¥ 72,423</u>

	Thousands of U.S. Dollars (Note 1)		
	Common Stock	Additional Paid-in Capital	Retained Earnings
<b>BALANCE, MARCH 31, 1998</b>	\$304,113	\$430,607	\$684,236
Adjustment of retained earnings for newly applied accounting for tax allocation			72,380
Net loss			(151,247)
Cash dividends, U.S.\$0.02 per share			(12,275)
Bonuses to directors and corporate auditors			(166)
Adjustment of retained earnings for newly consolidated subsidiaries			7,851
<b>BALANCE, MARCH 31, 1999</b>	<u>\$304,113</u>	<u>\$430,607</u>	<u>\$ 600,779</u>

See Notes to Consolidated Financial Statements.