CONSOLIDATED BALANCE SHEETS

Nikon Corporation and Consolidated Subsidiaries March 31, 2001 and 2000

Marcial Series Marc		Milli	Millions of Yen	
Current assets \$ 33,732 \$ 32,574 \$ 272,585 Notes and accounts receivable—trade (Note 5): 140,587 122,285 1,134,679 Customers 140,587 122,285 1,134,679 Unconsolidated subsidiaries and associated companies 783 680 6,158 Allowance for doubtful receivables (2,623) 162,101 (2,173) Inventories (Note 4) 199,788 153,167 1,612,573 Deferred tax assets (Note 8) 26,983 12,524 215,440 Other current assets 16,952 12,514 136,252 Total current assets 181,867 13,736 128,061 Buildings and structures 48,883 81,999 685,173 Buildings and structures 48,883 81,999 685,173 Furniture and fixtures 51,795 51,613 418,061 Buildings and structures 115,187 7,609 81,362 Construction in progress 115,287 51,613 418,061 Total 265,344 250,670 2,141,600		2001	2000	2001
Cash and cacounts receivable—trade (Note 5): V 33,732 V 32,574 \$ 272,585 Customers 140,587 122,285 1,134,679 Unconsolidated subsidiaries and associated companies 763 860 6,158 Allowance for doubtful receivables (2,623) (2,116) (21,173) Inventories (Note 4) 199,788 153,847 1,612,573 Deferred tax assets (Note 8) 26,683 12,514 136,865 Other current assets (Note 3) 16,952 12,514 136,865 Total current assets (Note 3) 15,867 13,736 128,661 Buildings and structures 44,893 81,999 685,735 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,985 15,185 15,186 Construction in progress 11,181 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,08) 161,245 (1,348,737) Investments and other assets 15,96 49,368 429,4	ASSETS			
Notes and accounts receivable—trade (Note 5): 140,587 122,285 1,134,679 Unconsolidated subsidiaries and associated companies 763 680 6,158 Allowance for doubtful receivables 26,23 (2,116) (21,173) Inventories (Note 4) 199,798 153,847 1,612,573 Deferred tax assets (Note 3) 16,652 12,514 136,626 Other current assets (Note 3) 15,667 332,305 3,336,738 Total current assets (Note 3) 15,667 13,736 128,661 Land 15,867 313,736 128,661 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 15,567 51,613 418,042 Total 265,344 250,670 2,141,600 Accumulated depreciation 1617,018 161,245 1,348,737 Investments and other assets 25,354 49,368 429,488 <td>Current assets</td> <td></td> <td></td> <td></td>	Current assets			
Customers 140,587 122,285 1,134,679 Unconsolidated subsidiaries and associated companies 763 680 6,158 Allowance for doubtful receivables (2,623) 12,116 (21,173) Inventories (Note 4) 199,789 16,367 125,144 Deferred tax assets (Note 8) 26,693 12,521 215,444 Other current assets 16,952 12,514 136,825 Total current assets 16,952 12,514 136,825 Total current assets 18,967 13,736 128,061 Buildings and structures 84,833 81,999 685,173 Machinery and equipment 191,271 97,079 817,363 Furniture and fixtures 19,158 6,243 92,961 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation 167,108 161,245 1,348,737 Net property, plant and equipment 53,214 49,368 429,488 Investments	Cash and cash equivalents	¥ 33,732	¥ 32,574	\$ 272,256
Unconsolidated subsidiaries and associated companies 763 680 6,158 Allowance for doubtful receivables (2,623) (2,117) (21,173) Inventories (Note 4) 199,788 153,847 1,612,673 Deferred tax assets (Note 8) 16,952 12,514 136,822 Other current assets (Note 3) 16,952 12,514 136,822 Total current assets 415,902 332,305 3,356,758 Property, plant and equipment Land 15,867 13,736 128,061 Buildings and structures 44,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 25,444 250,07 2,114,600 Accumulated depreciation (167,108) (161,245) (1,34,737) Net property, plant and equipment 38,236 89,425 792,663 Investments and other assets 15,2	Notes and accounts receivable — trade (Note 5):			
Allowance for doubtful receivables (2,623) (2,116) (21,173) Inventories (Note 4) 199,798 153,847 1,612,573 Deferred tax assets (Note 8) 26,693 12,521 215,440 Other current assets (Note 3) 16,592 12,514 136,605 Total current assets 415,802 332,305 3,356,758 Property, plant and equipment Land 15,867 13,736 128,061 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,34 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 53,214 49,368 49,888 Investments and other assets 19,000 49,368 429,488 Investments in unconsolidated subsidiaries and associated compani	Customers	140,587	122,285	1,134,679
Deferred tax assets (Note 3) 199,798 153,847 1,612,573 1,612,673 1	Unconsolidated subsidiaries and associated companies	763	680	6,158
Deferred tax assets (Note 8) 26,693 12,521 215,440 Other current assets (Note 3) 16,952 12,514 136,826 Total current assets 415,902 332,305 3356,758 Property, plant and equipment Land 15,867 13,736 128,061 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97.09 817,363 Furniture and fixtures 51,955 51,613 418,042 Construction in progress 111,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) 1,348,737 Net property, plant and equipment \$3,234 49,368 429,488 Investments and other assets \$3,214 49,368 429,488 Investments and other assets \$3,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 5,76 38,39 Unconsolidated subsidiaries and associated companies	Allowance for doubtful receivables	(2,623)	(2,116)	(21,173)
Other current assets (Note 3) 16,952 12,514 138,826 Total current assets 415,902 332,305 3,356,758 Property, plant and equipment Land 15,867 13,736 128,061 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,34 250,670 2,141,600 Accumulated depreciation (167,108) 161,245 13,348,737 Net property, plant and equipment 38,236 39,25 792,863 Investments and other assets 161,249 1,348,737 Investments securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 35,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 78 8 28 Long-term loans: <td>Inventories (Note 4)</td> <td>199,798</td> <td>153,847</td> <td>1,612,573</td>	Inventories (Note 4)	199,798	153,847	1,612,573
Total current assets 415,902 332,305 3,356,758 Property, plant and equipment 15,867 13,736 128,061 Buildings and structures 84,893 81,99 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) 1,348,737 Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 10,200 4,757 5,643 38,900 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) 4,66 6,66 Oeposit 3,605	Deferred tax assets (Note 8)	26,693	12,521	215,440
Property, plant and equipment Land 15,867 13,736 128,061 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 38,236 89,425 792,863 Investments sout other assets 1 49,368 429,488 Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables 36,05 3,554 29,100	Other current assets (Note 3)	16,952	12,514	136,826
Land 15,867 13,736 128,061 Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 1 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: 2 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables 38 6,523 45,182 Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred t	Total current assets	415,902	332,305	3,356,759
Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 1 49,368 429,488 Investments (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100	Property, plant and equipment			
Buildings and structures 84,893 81,999 685,173 Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 1 49,368 429,488 Investments (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100	Land	15,867	13,736	128,061
Machinery and equipment 101,271 97,079 817,363 Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) 161,245 (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 11,271 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (670 Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Foreign currency translation adjustments 5,7	Buildings and structures		81,999	685,173
Furniture and fixtures 51,795 51,613 418,042 Construction in progress 11,518 6,243 92,961 Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets 1 4,757 5,643 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: 2 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 7 <td>Machinery and equipment</td> <td></td> <td>97,079</td> <td></td>	Machinery and equipment		97,079	
Total 265,344 250,670 2,141,600 Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 7 Other 6,081 3,271 49,084 Total investments and other assets 640,156 640,156		51,795	51,613	
Accumulated depreciation (167,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Tag 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 7 Other 6,081 3,271 49,084 Total investments and other assets 600,156 600,156 600,156	Construction in progress	11,518	6,243	92,961
Accumulated depreciation (161,108) (161,245) (1,348,737) Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets Investment securities (Notes 3 and 5) 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: 25 78 282 Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 49,084 Other 6,081 3,271 49,084 Total investments and other assets 600,156 600,156	Total	265,344	250,670	2,141,600
Net property, plant and equipment 98,236 89,425 792,863 Investments and other assets Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 640,156 640,156	Accumulated depreciation	(167,108)	(161,245)	
Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Net property, plant and equipment	98,236	89,425	
Investment securities (Notes 3 and 5) 53,214 49,368 429,488 Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Investments and other assets			
Investments in unconsolidated subsidiaries and associated companies 4,757 5,643 38,390 Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Investment securities (Notes 3 and 5)	53.214	49.368	429.488
Long-term loans: Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156				
Employees and other 739 808 5,966 Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	·	, -	.,.	
Unconsolidated subsidiaries and associated companies 35 78 282 Allowance for doubtful receivables (83) (48) (676) Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156		739	808	5,966
Software 5,598 6,523 45,182 Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Unconsolidated subsidiaries and associated companies	35	78	-
Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Allowance for doubtful receivables	(83)	(48)	(676)
Deposit 3,605 3,554 29,100 Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Software	5,598	6,523	45,182
Deferred tax assets (Note 8) 5,370 4,141 43,340 Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156				
Foreign currency translation adjustments 7,107 Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Deferred tax assets (Note 8)	5,370		
Other 6,081 3,271 49,084 Total investments and other assets 79,316 80,445 640,156	Foreign currency translation adjustments		7,107	
Total investments and other assets 79,316 80,445 640,156		6,081		49,084
	Total	¥593,454	¥ 502,175	\$4,789,778

See Notes to Consolidated Financial Statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)	
	2001	2000	2001	
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short-term borrowings (Note 5)	¥ 82,996	¥ 85,558	\$ 669,864	
Current portion of long-term debt (Note 5)	25,351	15,439	204,610	
Notes and accounts payable — trade:				
Suppliers	113,800	86,685	918,479	
Unconsolidated subsidiaries and associated companies	1,044	1,103	8,427	
Income taxes payable	22,023	3,175	177,745	
Accrued expenses	38,886	30,194	313,849	
Other current liabilities (Note 5)	39,303	16,083	317,220	
Total current liabilities	323,403	238,237	2,610,194	
Long-term liabilities				
Long-term debt (Note 5)	71,804	95,728	579,529	
Liability for employees' retirement benefits (Note 6)	10,024	1,349	80,904	
Other long-term liabilities	1,928	355	15,561	
Total long-term liabilities	83,756	97,432	675,994	
Minority interest	176	11	1,419	
Commitments and Contingent liabilities (Notes 10, 11 and 12)				
Shareholders' equity				
Common stock (Note 7):				
¥50 par value per share				
Authorized — 1,000,000,000 shares				
Issued and outstanding — 369,927,584 shares in 2001 and 2000	36,661	36,661	295,891	
Additional paid-in capital (Note 7)	51,910	51,910	418,964	
Retained earnings (Notes 7 and 13)	96,560	77,950	779,339	
Unrealized gain on available-for-sale securities	4,715		38,059	
Foreign currency translation adjustments	(3,726)		(30,075)	
	186,120	166,521	1,502,178	
Treasury stock, at cost:				
632 shares in 2001 and 6,658 shares in 2000	(1)	(26)	(7)	
Total shareholders' equity	186,119	166,495	1,502,171	
Total	¥593,454	¥502,175	\$4,789,778	