CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Nikon Corporation and Consolidated Subsidiaries Years ended March 31, 2003 and 2002

Number of Sharker of		Thousands	Millions of Yen					
Stock issued under exchange offerings		Number of Shares of				Gain (Loss) on Available-for-	Currency Translation	,
Net loss Cash dividends, ¥8.0 per share Bonuses to directors and corporate auditors Adjustment of retained earnings for newly consolidated subsidiaries Adjustment of retained earnings for additional application of equity method Increase by merger between non-consolidated subsidiary and consolidated subsidiary Net decrease in unrealized gain on available-for-sale securities Net increase in treasury stock (139,337 shares) Net loss Net decrease in unrealized gain on available-for-sale securities Net decrease in in treasury stock (140,112 shares) BALANCE AT MARCH 31, 2002 BALANCE AT MARCH 31, 2003 BALANCE AT	BALANCE AT APRIL 1, 2001	369,928	¥ 36,661	¥ 51,910	¥ 96,560	¥ 4,715	¥ (3,726)	¥ (1)
Cash dividends, Y8.0 per share C2,959 Semilar C3,050 S	Stock issued under exchange offerings	17		14				
Main March	Net loss				(6,004)			
Adjustment of retained earnings for newly consolidated subsidiaries 692 692 693 694 694 695 695 695 695 695 695 695 695 695 695	Cash dividends, ¥8.0 per share				(2,959)			
For newly consolidated subsidiaries	Bonuses to directors and corporate auditors				(50)			
Adjustment of retained earnings for additional application of equity method Increase by merger between non-consolidated subsidiary Net decrease in unrealized gain on available-for-sale securities Net increase in treasury stock (139,337 shares) BALANCE AT MARCH 31, 2002 369,945 AUTHOR ARCH 31, 2003 AUT	,							
Second Sequity method Second Se					692			
Increase by merger between non-consolidated subsidiary and consolidated subsidiary and								
Net decrease in unrealized gain on available-for-sale securities 134 136					352			
Net locrease in unrealized gain on available-for-sale securities 1,3636 1,462								
Net increase in foreign currency translation adjustments					134			
Increase in treasury stock (139,337 shares)	3					(3,636)		
Net loss Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) Net decrease in unrealized gain on available-for-sale securities Net decrease in unrealized gain on available-for-sale securities Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Net decrease in treasury stock (410,112 shares) Net decrease in treasury							2,461	
Net loss (8,143) Net decrease in unrealized gain on available-for-sale securities (4,610) Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) (381) BALANCE AT MARCH 31, 2003 369,945 ★ 36,661 ★ 51,924 ★ 80,582 ★ (3,531) ★ (2,628) ★ (544) BALANCE AT MARCH 31, 2002 ★ 304,999 ★ 31,984 ★ 738,148 ★ 8,977 ★ (1,363) Net loss ★ 1,924 ★ 80,582 ★ (3,531) ★ (2,628) ★ (544) Net loss ★ 304,999 ★ 31,984 ★ 738,148 ★ 8,977 ★ (10,527) ★ (1,361) Net decrease in unrealized gain on available-for-sale securities ★ (67,744) ★ (3,531) ★ (10,527) ★ (1,361) Net decrease in foreign currency translation adjustments ★ (67,744) ★ (3,537) ★ (11,340) Increase in treasury stock (410,112 shares) ★ (3,531) ★ (3,531) ★ (3,531) ★ (3,531) ★ (3,531) ★ (3,531) ★ (3,531) ★ (3,53								
Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) BALANCE AT MARCH 31, 2003 369,945 Thousands of U.S. Dollars (Note 1) Common Common Stock Common Stock Common Stock Common Stock Surplus Retained Surplus Retained Sarrings Foreign Gain (Loss) on Available-for-Iranslation Treasury Stock Adjustments Thousands of U.S. Dollars (Note 1) Unrealized Gain (Loss) on Available-for-Iranslation Treasury Stock Retained Surplus Foreign Gain (Loss) on Available-for-Iranslation Stock Sale Securities Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) (11,340) (38,171)	BALANCE AT MARCH 31, 2002	369,945	¥ 36,661	¥ 51,924	¥ 88,725	¥ 1,079	¥ (1,265)	¥ (163)
Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) BALANCE AT MARCH 31, 2003 369,945 369,94	Not loss				(8 1/12)			
Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) BALANCE AT MARCH 31, 2003 369,945					(0,143)	(4 610	١	
Increase in treasury stock (410,112 shares) BALANCE AT MARCH 31, 2003 369,945 369	3					(1,010)		
BALANCE AT MARCH 31, 2003 369,945 ¥ 36,661 ¥ 51,924 ¥ 80,582 ¥ (3,531) ¥ (2,628) ¥ (544) Thousands of U.S. Dollars (Note 1) Common Stock Surplus Retained Surplus Surplus Sanday Sa							(1,202)	(381)
Common Stock Capital Surplus Retained Surplus Retained Surplus Retained Surplus Retained Surplus Stock Stock		369,945	¥ 36,661	¥ 51,924	¥ 80,582	¥ (3,531)	¥ (2,628)	
Common Stock Capital Surplus Retained Surplus Retained Surplus Retained Surplus Stock Surplus Surplus Stock Surplus Surplus Stock Surplus								
Common Stock Capital Surplus Retained Surplus Retained Surplus Retained Surplus Stock Surplus Stock Surplus Stock Surplus Stock Surplus Stock Surplus Stock St			Thousands of U.S. Dallays (Note 1)					
BALANCE AT MARCH 31, 2002Sand,999\$431,984\$738,148\$8,977\$(10,527)\$(1361)Net loss(67,744)Net decrease in unrealized gain on available-for-sale securities(38,357)(11,340)Net decrease in foreign currency translation adjustments(11,340)(3,171)								
Stock Surplus Earnings sale Securities Adjustments Stock Net loss Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) Stock Surplus Earnings sale Securities Adjustments Stock (67,744) (67,744) (38,357) (11,340) (3,171)			_			, ,	,	_
BALANCE AT MARCH 31, 2002 \$304,999 \$431,984 \$738,148 \$ 8,977 \$ (10,527) \$ (1,361) Net loss (67,744) Net decrease in unrealized gain on available-for-sale securities (38,357) Net decrease in foreign currency translation adjustments (11,340) Increase in treasury stock (410,112 shares) (3,171)								
Net loss Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) (67,744) (38,357) (11,340) (3,171)	BALANCE AT MARCH 31, 2002			<u> </u>				
Net decrease in unrealized gain on available-for-sale securities Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) (38,357) (11,340) (3,171)			4,	4 10 1/00 1	4100,110	4 0,011	+ (11/1-17	. (-,,
Net decrease in foreign currency translation adjustments Increase in treasury stock (410,112 shares) (11,340) (3,171)	Net loss				(67,744))		
Increase in treasury stock (410,112 shares) (3,171)	Net decrease in unrealized gain on available-for-sale securities					(38,357))	
· · · · · · · · · · · · · · · · · · ·	Net decrease in foreign currency translation adjustments						(11,340)	
PALANCE AT MARCH 24, 2002 \$204,000 \$424,004 \$670,404 \$ (20,200) \$ (24,967) \$ (4,522)	Increase in treasury stock (410,112 shares)							(3,171)
DALANCE AT WARCH 51, 2005 \$204,333 \$451,304 \$70,404 \$ (23,500) \$ (21,007) \$ (4,532)	BALANCE AT MARCH 31, 2003		\$304,999	\$431,984	\$670,404	\$ (29,380)	\$ (21,867)	\$ (4,532)

See Notes to Consolidated Financial Statements.