

consolidated statements of shareholders' equity

NIKON CORPORATION AND CONSOLIDATED SUBSIDIARIES
YEARS ENDED MARCH 31, 2004 AND 2003

	Thousands		Millions of Yen				
	outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain (Loss) on Available-for- sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE AT MARCH 31, 2002	369,805	¥ 36,661	¥ 51,924	¥ 88,725	¥ 1,079	¥ (1,265)	¥ (163)
Net loss				(8,143)			
Net decrease in unrealized gain on available-for-sale securities					(4,610)		
Net decrease in foreign currency translation adjustments						(1,363)	
Increase in treasury stock (410,112 shares)	(410)						(381)
BALANCE AT MARCH 31, 2003	369,395	¥ 36,661	¥ 51,924	¥ 80,582	¥ (3,531)	¥ (2,628)	¥ (544)
Excess arising from retirement of treasury stock			3				
Net income				2,410			
Increase by merger between non-consolidated subsidiary and consolidated subsidiary				46			
Adjustment of retained earnings for elimination of consolidated subsidiary				(3)			
Net increase in unrealized gain on available-for-sale securities					9,640		
Net decrease in foreign currency translation adjustments						(3,257)	
Increase in treasury stock (76,515 shares)	(76)						(109)
BALANCE AT MARCH 31, 2004	369,319	¥ 36,661	¥ 51,927	¥ 83,035	¥ 6,109	¥ (5,885)	¥ (653)

	Thousands of U.S. Dollars (Note 1)					
	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain (Loss) on Available-for- sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE AT MARCH 31, 2003	\$346,872	\$491,290	\$762,444	\$ (33,414)	\$ (24,868)	\$ (5,155)
Excess arising from retirement of treasury stock			26			
Net income				22,802		
Increase by merger between non-consolidated subsidiary and consolidated subsidiary				435		
Adjustment of retained earnings for elimination of consolidated subsidiary				(31)		
Net increase in unrealized gain on available-for-sale securities				91,217		
Net decrease in foreign currency translation adjustments					(30,814)	
Increase in treasury stock (76,515 shares)						(1,028)
BALANCE AT MARCH 31, 2004	\$346,872	\$491,316	\$785,650	\$ 57,803	\$ (55,682)	\$ (6,183)

See Notes to Consolidated Financial Statements.