

consolidated balance sheets

Nikon Corporation and Consolidated Subsidiaries
March 31, 2005 and 2004

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2004	2005
ASSETS			
Current assets			
Cash and cash equivalents	¥ 21,507	¥ 16,099	\$ 200,274
Notes and accounts receivable — trade:			
Customers	121,622	117,652	1,132,530
Unconsolidated subsidiaries and associated companies	3,485	2,249	32,453
Allowance for doubtful receivables	(2,735)	(2,572)	(25,470)
Inventories (Note 5)	245,623	237,506	2,287,209
Deferred tax assets (Note 10)	25,629	19,675	238,656
Other current assets	15,995	18,722	148,932
Total current assets	<u>431,126</u>	<u>409,331</u>	<u>4,014,584</u>
Property, plant and equipment			
Land	16,289	16,419	151,681
Buildings and structures	97,352	93,964	906,531
Machinery and equipment	130,101	127,216	1,211,479
Furniture and fixtures	54,140	56,485	504,139
Construction in progress	7,711	6,138	71,803
Total	<u>305,593</u>	<u>300,222</u>	<u>2,845,633</u>
Accumulated depreciation	(195,803)	(193,383)	(1,823,288)
Net property, plant and equipment	<u>109,790</u>	<u>106,839</u>	<u>1,022,345</u>
Investments and other assets			
Investment securities (Notes 4 and 6)	54,773	54,592	510,035
Investments in and advances to unconsolidated subsidiaries and associated companies	8,217	7,541	76,514
Long-term loans to employees and other	128	257	1,195
Allowance for doubtful receivables	(110)	(51)	(1,024)
Software	7,104	6,520	66,155
Goodwill	233	204	2,166
Security deposit	6,315	2,942	58,808
Deferred tax assets (Note 10)	9,792	9,817	91,178
Other	6,058	8,521	56,418
Total investments and other assets	<u>92,510</u>	<u>90,343</u>	<u>861,445</u>
Total	<u>¥ 633,426</u>	<u>¥ 606,513</u>	<u>\$ 5,898,374</u>

See Notes to Consolidated Financial Statements.

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2005	2004	2005
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings (Note 6)	¥ 38,115	¥ 43,918	\$ 354,926
Current portion of long-term debt (Note 6)	7,090	12,727	66,024
Notes and accounts payable — trade:			
Suppliers	135,638	140,325	1,263,044
Unconsolidated subsidiaries and associated companies	242	807	2,253
Income taxes payable	14,706	2,961	136,935
Accrued expenses	39,657	34,940	369,280
Other current liabilities (Note 10)	30,655	13,262	285,448
Total current liabilities	<u>266,103</u>	<u>248,940</u>	<u>2,477,910</u>
Long-term liabilities			
Long-term debt (Note 6)	150,133	163,871	1,398,018
Liability for employees' retirement benefits (Note 7)	18,691	21,010	174,050
Retirement allowances for directors and corporate auditors (Note 3(b))	1,035		9,642
Other long-term liabilities (Note 10)	1,249	1,321	11,624
Total long-term liabilities	<u>171,108</u>	<u>186,202</u>	<u>1,593,334</u>
Minority interests	<u>185</u>	<u>177</u>	<u>1,726</u>
Commitments and Contingent liabilities (Notes 12, 13 and 14)			
Shareholders' equity			
Common stock (Note 8):			
Authorized — 1,000,000,000 shares			
Issued — 369,945,332 shares in 2005 and 2004	36,661	36,661	341,381
Capital surplus (Note 8)	51,931	51,927	483,571
Retained earnings (Note 8)	104,478	83,035	972,885
Unrealized gain on available-for-sale securities	7,297	6,109	67,951
Foreign currency translation adjustments	(3,813)	(5,885)	(35,504)
Treasury stock, at cost:			
484,180 shares in 2005 and 626,596 shares in 2004	(524)	(653)	(4,880)
Total shareholders' equity	<u>196,030</u>	<u>171,194</u>	<u>1,825,404</u>
Total	<u>¥ 633,426</u>	<u>¥ 606,513</u>	<u>\$ 5,898,374</u>

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