

# consolidated statements of shareholders' equity

Nikon Corporation and Consolidated Subsidiaries  
Years ended March 31, 2005 and 2004

	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
<b>BALANCE AT MARCH 31, 2003</b>	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)
<b>BALANCE AT MARCH 31, 2004</b>	369,319	¥ 36,661	¥ 51,927	¥ 83,035	¥ 6,109	¥ (5,885)	¥ (653)
Excess arising from retirement of treasury stock			4				
Net income				24,141			
Cash dividends, ¥8.0 per share				(2,954)			
Adjustment of retained earnings for elimination of consolidated subsidiary				256			
Net increase in unrealized gain on available-for-sale securities					1,188		
Net increase in foreign currency translation adjustments						2,072	
Decrease in treasury stock (142,416 shares)	142						129
<b>BALANCE AT MARCH 31, 2005</b>	369,461	¥ 36,661	¥ 51,931	¥ 104,478	¥ 7,297	¥ (3,813)	¥ (524)

	Thousands of U.S. Dollars (Note 1)					
	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
<b>BALANCE AT MARCH 31, 2004</b>	\$ 341,381	\$ 483,538	\$ 773,213	\$ 56,888	\$ (54,801)	\$ (6,085)
Excess arising from retirement of treasury stock			33			
Net income			224,802			
Cash dividends, ¥8.0 per share			(27,511)			
Adjustment of retained earnings for elimination of consolidated subsidiary			2,381			
Net increase in unrealized gain on available-for-sale securities				11,063		
Net increase in foreign currency translation adjustments					19,297	
Decrease in treasury stock (142,416 shares)						1,205
<b>BALANCE AT MARCH 31, 2005</b>	\$ 341,381	\$ 483,571	\$ 972,885	\$ 67,951	\$ (35,504)	\$ (4,880)

See Notes to Consolidated Financial Statements.