

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Nikon Corporation and Consolidated Subsidiaries
Years ended March 31, 2006 and 2005

	Thousands	Millions of Yen					
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Unrealized Gain on Available-for-sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
BALANCE AT APRIL 1, 2004	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
BALANCE AT MARCH 31, 2005	369,461	¥ 36,661	¥ 51,931	¥ 104,478	¥ 7,297	¥ (3,813)	¥ (524)
Excess arising from retirement of treasury stock			2				
Net income				28,945			
Cash dividends, ¥8.0 per share				(2,955)			
Bonuses to directors and corporate auditors				(63)			
Net increase in unrealized gain on available-for-sale securities					17,237		
Net increase in foreign currency translation adjustments						4,099	
Increase in treasury stock (101,018 shares)	(101)						(173)
BALANCE AT MARCH 31, 2006	369,360	¥ 36,661	¥ 51,933	¥ 130,405	¥ 24,534	¥ 286	¥ (697)

	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
BALANCE AT MARCH 31, 2005	\$312,087	\$442,077	\$889,402	\$62,121	\$(32,457)	\$(4,462)
Excess arising from retirement of treasury stock			16			
Net income			246,400			
Cash dividends, ¥8.0 per share			(25,160)			
Bonuses to directors and corporate auditors			(532)			
Net increase in unrealized gain on available-for-sale securities				146,739		
Net increase in foreign currency translation adjustments					34,896	
Increase in treasury stock (101,018 shares)						(1,473)
BALANCE AT MARCH 31, 2006	\$312,087	\$442,093	\$1,110,110	\$208,860	\$2,439	\$(5,935)

See Notes to Consolidated Financial Statements.