

Strategies to be a corporate group that consistently offers new value and continues to grow

In the global era, business environments change rapidly. The Nikon Group, following the four basic policies of its Medium Term Management Plan, will respond to these changes, continuously provide new value and realize sustainable growth.

The Four Basic Policies of the Medium Term Management Plan

Expanding the Nikon brand

Promote the “spirit of innovation” that is the strength of the Nikon brand, and combine this with the idea of “fun.”

Creating new businesses

Create new businesses in existing and new fields.

Realizing unified and quick- responding organizations

Achieve global cooperation with business units and headquarters acting autonomously, with a sense of unity and speed.

Strengthening business functions and innovating processes

Build high-level linkage between all business functions to complement Nikon’s advanced technology.

Key Measures of the Medium Term Management Plan

Nikon regained profitability in the fiscal year ended March 2011 despite the impact from the Great East Japan Earthquake, and made progress toward achieving the goals of the previous medium term management plan announced in June 2010. From the fiscal year ending March 2012, we will focus on overcoming the difficulties in parts procurement and other issues in the aftermath of the earthquake, the timely launch of new products and strengthening marketing, sales, service and other business processes. Through these measures Nikon will aim to be the leading company in all of its principal businesses.

- **Gain the leading position in all main business segments and create new businesses.**
- **Link individual business functions at high levels, and optimize overall business processes.**
- **Promote globalization and human resource localization.**
- **Promote decentralized management in each internal company and strengthen corporate functions.**
- **Strengthen risk management based on experiences from the earthquake disaster.**

Capital Investment and R&D Plan

Nikon will make the necessary investments to strengthen and expand existing businesses, and to support new business expansion. R&D spending will be maintained at 6%–7% of net sales.

Cumulative capital investment and R&D spending for the fiscal years ending March 2012 to 2014

Capital Investment: ¥150 billion (up ¥30 billion from previous plan for: FY2011/3 to FY2013/3)

R&D Spending: ¥210 billion (up ¥10 billion from previous plan for: FY2011/3 to FY2013/3)

Consolidated Financial Targets

Years ended/ending March 31

(Billions of yen)	2011	2012	2014
Net Sales	887.5	940.0	1,200.0
Operating Income	54.1	68.0	135.0
Net Income	27.3	42.0	80.0

Exchange Rate (Yen) 2011 U.S.\$1 = ¥86 1 euro = ¥113 (Announced on May 12, 2011)
 2012 U.S.\$1 = ¥80 1 euro = ¥115
 2014 U.S.\$1 = ¥80 1 euro = ¥110