



Financial Results for the 3rd Quarter of the Year Ending March 31, 2010

Conference in Tokyo (Feb. 4th, 2010)

NIKON CORPORATION

Forward-looking statements for earnings and other performance data contained herein are based on information currently available to the Company, and all potential risks and uncertainties are taken into account. The Company asks that investors understand that changes in conditions may cause actual performance to significantly differ from these projections.

Agenda

- I. **Financial Results for the 3rd Quarter
of the Year Ending March 31, 2010**
- II. Estimation for the Year Ending
March 31, 2010
- III. Reference Data

Financial Highlights for the 3rd Quarter of the Year Ending March 31, 2010



Billions of yen	09/3 (A)		10/3 (B)		(B) - (A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	213.6	700.7	223.4	591.5	+ 9.8	- 109.2
Operating Income <small>% vs Net Sales</small>	0.8 <small>0.4%</small>	54.8 <small>7.8%</small>	3.4 <small>1.5%</small>	- 16.1 <small>- %</small>	+ 2.6	- 70.9
Ordinary Income <small>% vs Net Sales</small>	0.1 <small>0.0%</small>	53.2 <small>7.6%</small>	3.7 <small>1.7%</small>	- 18.6 <small>- %</small>	+ 3.6	- 71.8
Net Income <small>% vs Net Sales</small>	- 2.3 <small>- %</small>	31.3 <small>4.5%</small>	0 <small>- %</small>	- 17.6 <small>- %</small>	+ 2.3	- 48.9
Exchange : US\$ Rate EURO	96 127	103 151	90 133	94 133	Impact on Net Sales: - 9.0 Op. Income: 0.0	Impact on Net Sales: - 58.0 Op. Income: - 26.0

Though 3Qs result was in red due to the large deficit recorded in 1H, 3Q result turned to the black thanks to the solid performance of the Imaging business. Net Sales and all Incomes increased compared to the previous 3Q.

Precision Equipment Company: 3rd Quarter



Billions of yen	09/3 (A)		10/3 (B)		(B) - (A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	41.0	158.2	30.9	97.2	- 10.1	- 61.0
Operating Income <small>% vs Net Sales</small>	- 3.5 <small>-%</small>	8.6 <small>5.4%</small>	- 9.2 <small>-%</small>	- 53.2 <small>-%</small>	- 5.7	- 61.8
IC Steppers & Scanners New / Refurbished (units sold)	8/4	40/14	6/1	24/5	- 2/- 3	- 16/- 9
LCD Steppers & Scanners (units sold)	11	48	14	30	+ 3	- 18

Compared to the previous 3Q, sales volume of IC Steppers & Scanners declined while that of LCD Steppers & Scanners recorded increase. Deterioration of product mix led to decline of net sales and increase of operating loss.

Imaging Company: 3rd Quarter



Billions of yen	09/3 (A)		10/3 (B)		(B) – (A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	156.9	494.1	174.8	450.1	+ 17.9	- 44.0
Operating Income % vs Net Sales	4.0 2.5%	46.0 9.3%	17.4 10.0%	44.0 9.8%	+ 13.4	- 2.0
Single-Lens Reflex DSC (1,000 of units sold)	1,040	2,780	1,200	2,850	+ 160	+ 70
Interchangeable Lenses (1,000 of units sold)	1,500	3,950	1,750	4,200	+ 250	+ 250
Compact DSC (1,000 of units sold)	3,460	8,530	4,080	9,220	+ 620	+ 690

Maintained solid sales. Achieved of highest ever sales volume of SLR-DSC, I/L and C-DSC for a single quarter period.

Instruments Company : 3rd Quarter



Billions of yen	09/3 (A)		10/3 (B)		(B) – (A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	11.0	34.2	11.8	29.6	+ 0.8	- 4.6
Operating Income % vs Net Sales	- 0.6 -%	- 1.8 -%	- 5.7 -%	- 8.3 -%	- 5.1	- 6.5

Improved profitability of existing business including Industrial Equipment business, compared to the previous 3Q. Increased deficit because of integration expense, etc. for consolidation of Nikon Metrology NV (former Metris NV).

Other Business : 3rd Quarter

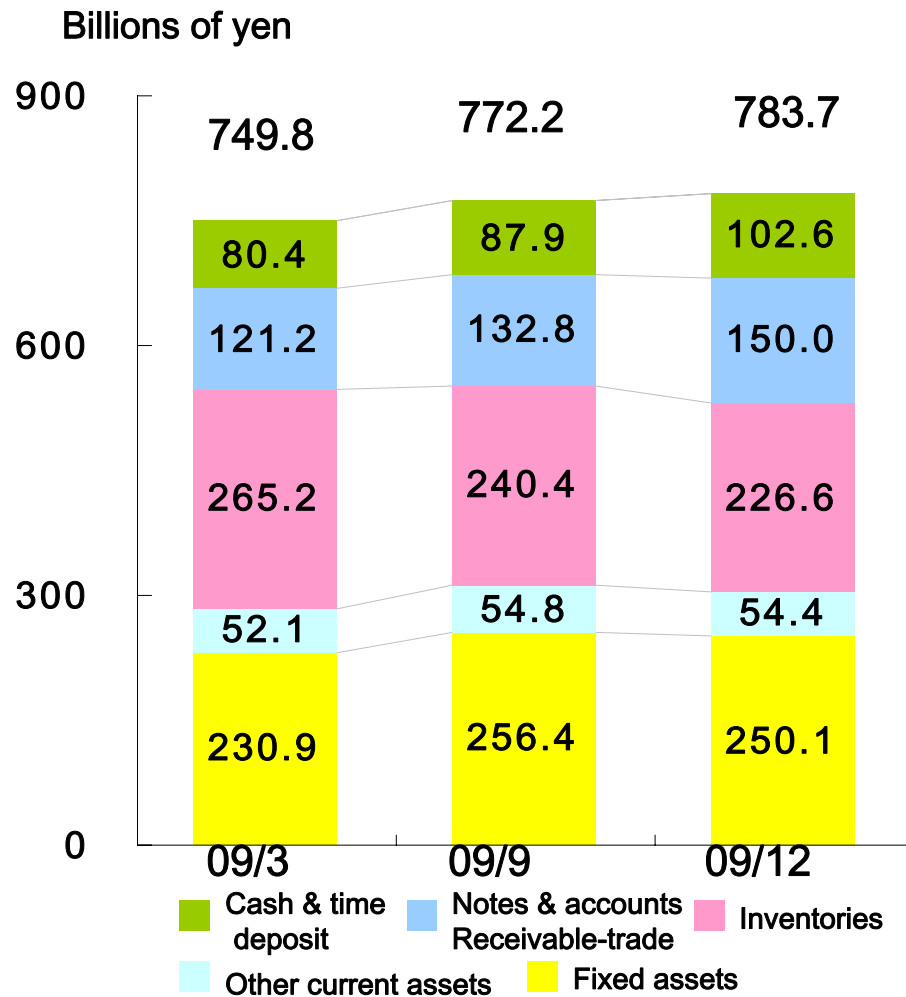


Billions of yen	09/3 (A)		10/3 (B)		(B) - (A)	
	3Q	3Qs	3Q	3Qs	3Q	3Qs
Net Sales	4.6	14.2	5.9	14.6	+ 1.3	+0.4
Operating Income % vs Net Sales	0.8 17.4%	2.3 16.2%	0.8 13.6%	1.3 8.9%	-	- 1.0

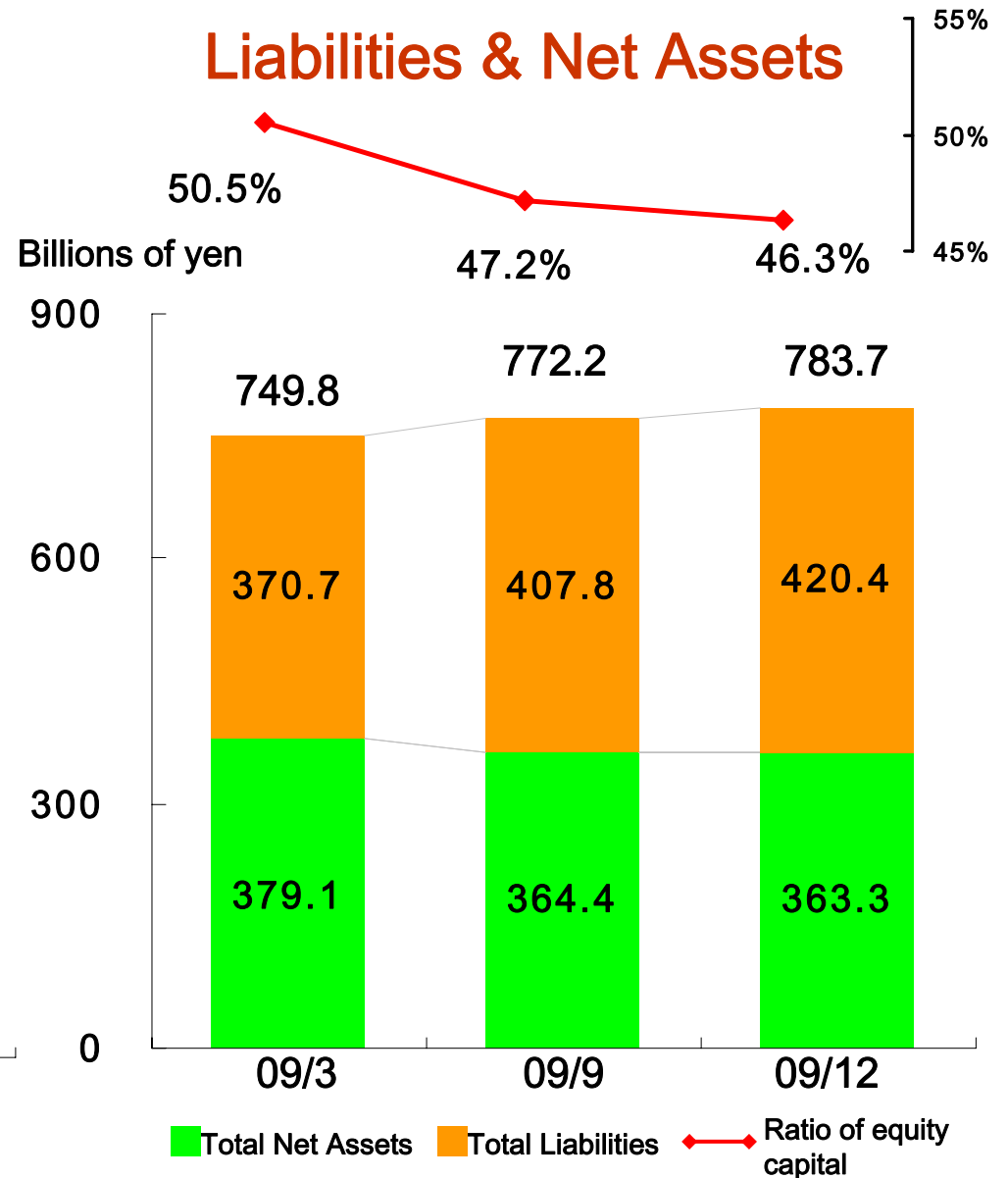
Balance Sheet : 3rd Quarter



Asset



Liabilities & Net Assets



3Qs result stayed in deficit in Operating, Ordinary and Net Incomes due to disposal and write-down of inventory of Precision Equipment business recorded in 2Q.

3Q result turned to the black and showed higher recovery than our estimation thanks to solid performance of the Imaging business.

- Precision Equipment Company:

Recorded Operating loss due to sales reduction and deterioration of product mix.

- Imaging Company:

Maintained solid sales performance in all of SLR-DSC, I/L and C-DSC.

Achieved higher Net Sales and Operating Income compared to the previous 3Q.

Increased in both Net Sales and Operating Income compared to the previous 3Qs with negative impact of Yen appreciation excluded.

- Instruments Company:

Increased in deficit due to the stagnant market of Industrial Equipment business as well as the expense of Nikon Metrology NV consolidation in spite of steady Biological Microscope business.

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Performance Estimation for the Year Ending March 31, 2010



Billions of yen	09/3 (A)	3Qs 4Q	Previous est. as of Nov.5 2009 (B)	1H 2H	New est. (C)	3Qs 4Q	Change (C) - (A)	Change (C) - (B)
Net Sales	879.7	<u>700.7</u> 179.0	760.0	<u>368.1</u> 391.9	770.0	<u>591.5</u> 178.5	- 109.7	+10.0
Operating Income % vs Net Sales	48.2 5.5%	<u>54.8</u> - 6.6	-18.0 -%	<u>- 19.5</u> 1.5	-16.0 -%	<u>- 16.1</u> 0.1	- 64.2	+ 2.0
Ordinary Income % vs Net Sales	47.7 5.4%	<u>53.2</u> -5.5	- 24.0 -%	<u>- 22.3</u> - 1.7	- 19.0 -%	<u>- 18.6</u> - 0.4	- 66.7	+ 5.0
Net Income % vs Net Sales	28.1 3.2%	<u>31.3</u> - 3.2	- 21.0 -%	<u>- 17.7</u> - 3.3	- 17.0 -%	<u>-17.6</u> 0.6	- 45.1	+ 4.0
Exchange : US\$ Rate EURO	101 144	<u>103</u> 94 <u>151</u> 122	93 132	<u>96</u> 90 <u>133</u> 130	93 132	<u>94</u> 90 <u>133</u> 130		

Basing on 3Q result, Net Sales and Incomes are revised upward. All Incomes in 2H will move into the black. This will lead to turnaround in the black in the coming fiscal year.

Estimation for Precision Equipment Company



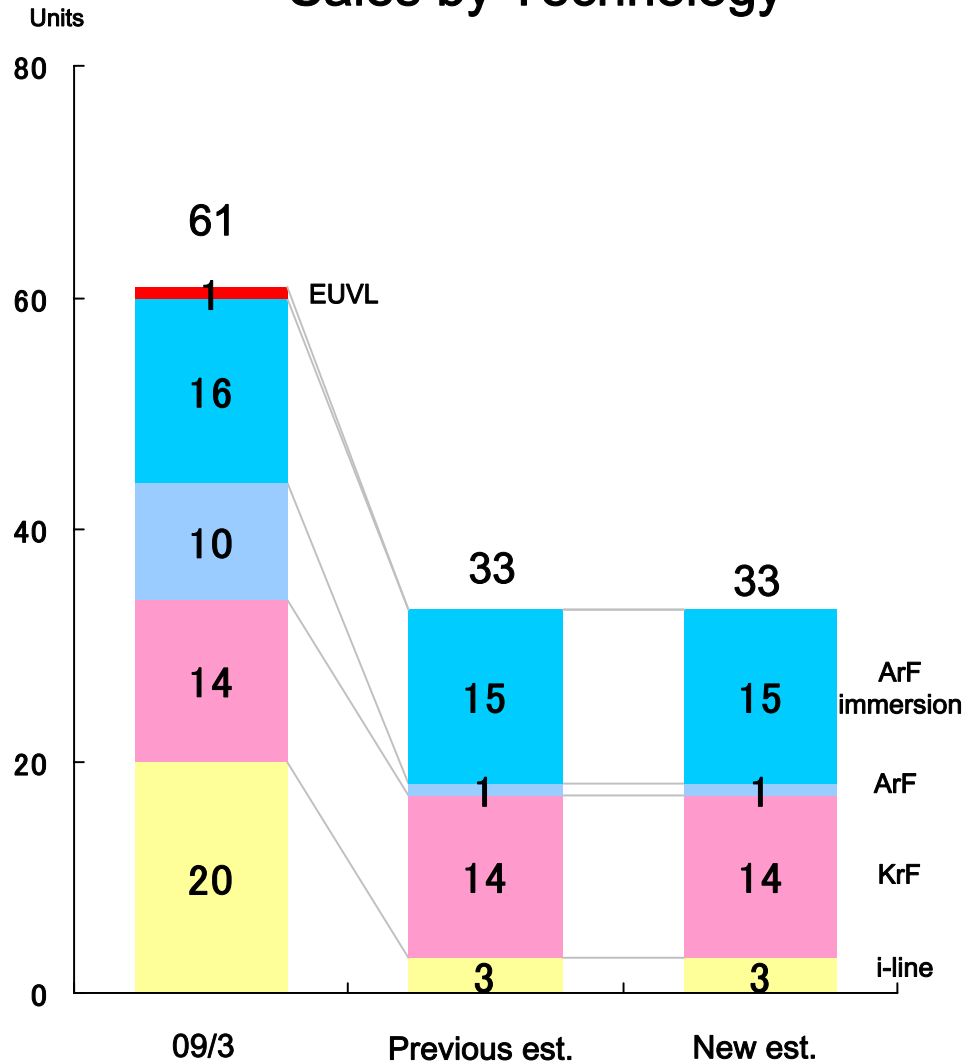
	09/3	3Qs 4Q	Previous est. as of Nov.5 2009	1H 2H	New. Est.	3Qs 4Q
Billions of yen						
Net Sales	219.9	<u>158.2</u> 61.7	140.0	<u>66.3</u> 73.7	140.0	<u>97.2</u> 42.8
Operating Income % vs Net Sales	8.0 3.6%	<u>8.6</u> - 0.6	- 58.0 -%	<u>- 44.0</u> - 14.0	- 58.0 -%	<u>- 53.2</u> - 4.8
IC Steppers & Scanners New / Refurbished (units sold)	61/17	<u>40/14</u> 21/ 3	33/13	<u>18/4</u> 15/9	33/11	<u>24/5</u> 9/6
LCD Steppers & Scanners (units sold)	65	<u>48</u> 17	44	<u>16</u> 28	44	<u>30</u> 14
Market Scale CY08/09 IC Steppers & Scanners (units sold)	296		Approx.100		105	
Market Scale CY08/09 LCD Steppers & Scanners, (TFT-array Only) (units sold)	Approx.110		Approx.70		Approx.70	

No change in estimated Net Sales and Incomes. Expecting sale of an “NSR-S620”, cutting-edge ArF immersion tool in February. Acquired firm order of LCD Scanners for China.

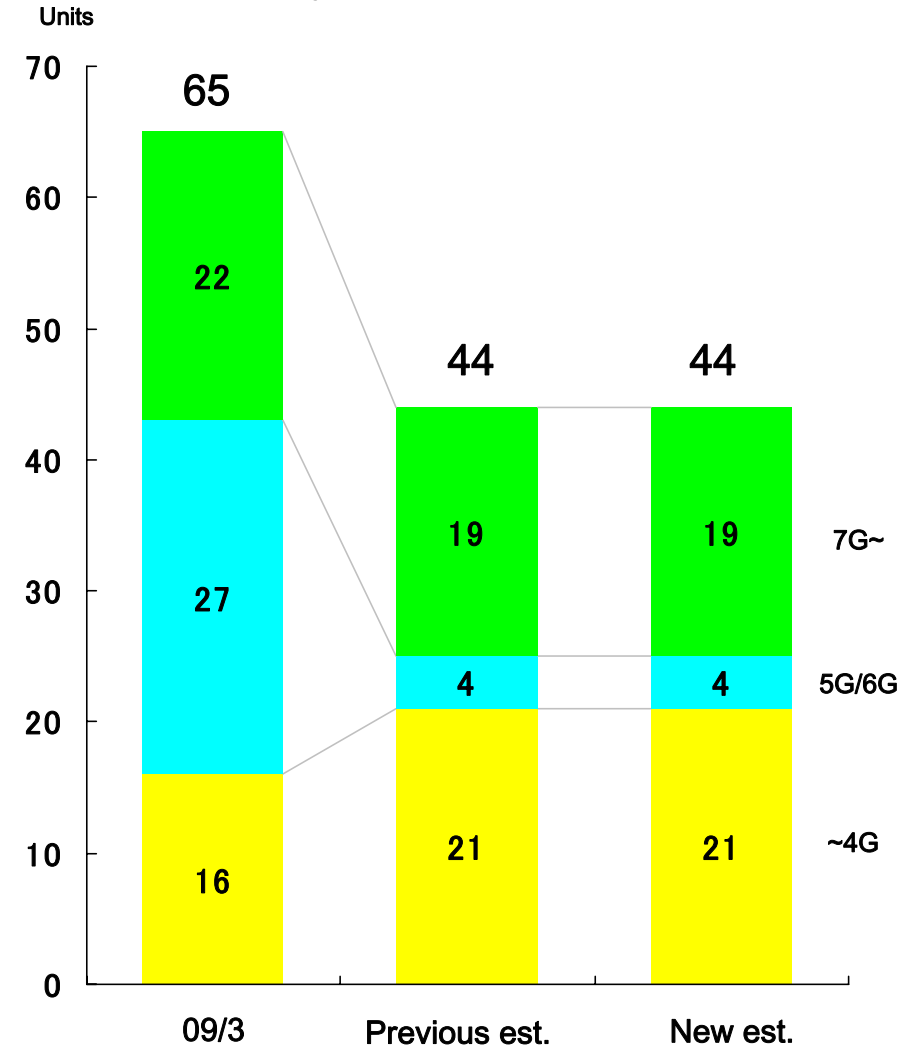
Estimation for Precision Equipment Company



IC Steppers & Scanners Sales by Technology



LCD Steppers & Scanners by Generation



Estimation for Imaging Company

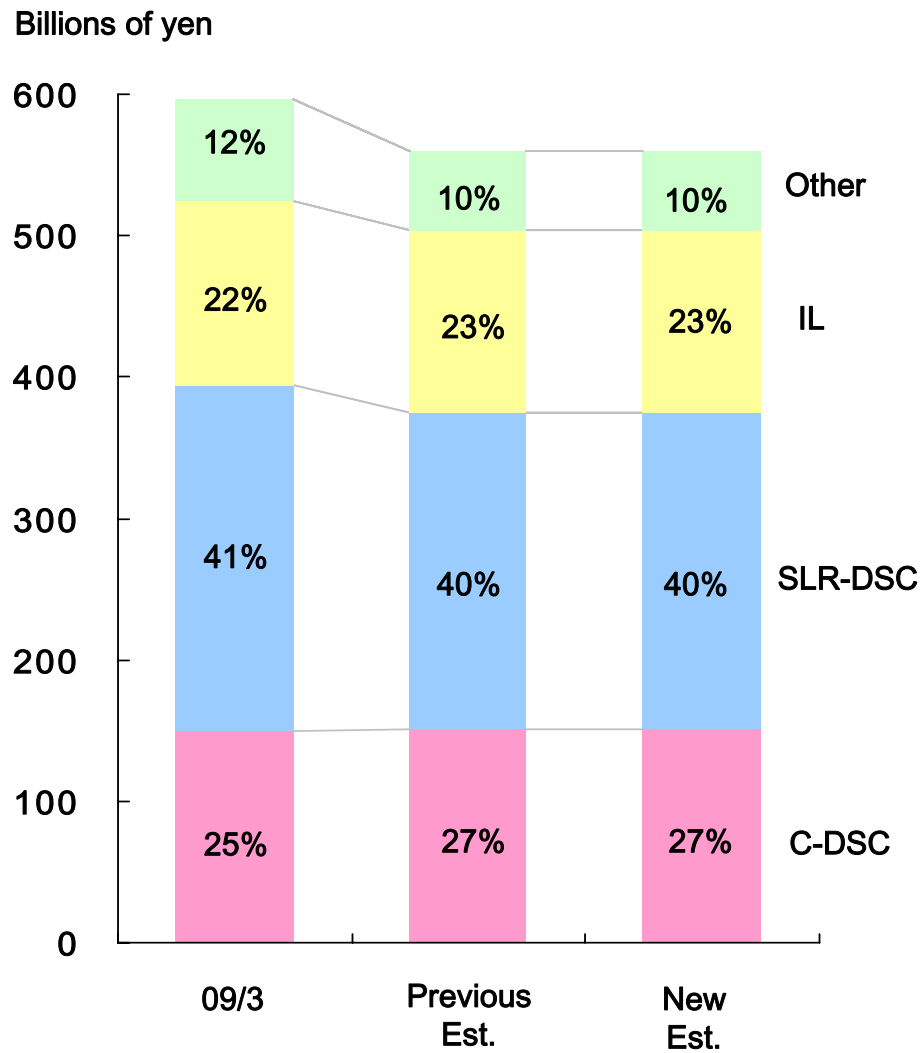


Billions of yen	09/3	3Qs 4Q	Previous est. as of Nov.5 2009	1H 2H	New est.	3Qs 4Q
Net Sales	596.5	<u>494.1</u> 102.4	560.0	<u>275.3</u> 284.7	560.0	<u>450.1</u> 109.9
Operating Income % vs Net Sales	40.0 6.7%	<u>46.0</u> - 6.0	50.0 8.9%	<u>26.5</u> 23.5	50.0 8.9%	<u>44.0</u> 6.0
Single-Lens Reflex DSC (1,000 of units sold)	3,420	<u>2,780</u> 640	3,550	<u>1,660</u> 1,890	3,550	<u>2,850</u> 700
Interchangeable Lenses (1,000 of units sold)	4,870	<u>3,950</u> 920	5,150	<u>2,450</u> 2,700	5,150	<u>4,200</u> 950
Compact DSC (1,000 of units sold)	10,330	<u>8,530</u> 1,810	11,500	<u>5,130</u> 6,370	11,500	<u>9,220</u> 2,280
Market Scale SLR-DSC (1,000 of units sold)	9,130		10,000		10,000	10,000
Market Scale Interchangeable Lenses(1,000 of units sold)	14,800		16,000		16,000	16,000
Market Scale C-DSC (1,000 of units sold)	103,690		98,000		98,000	98,000

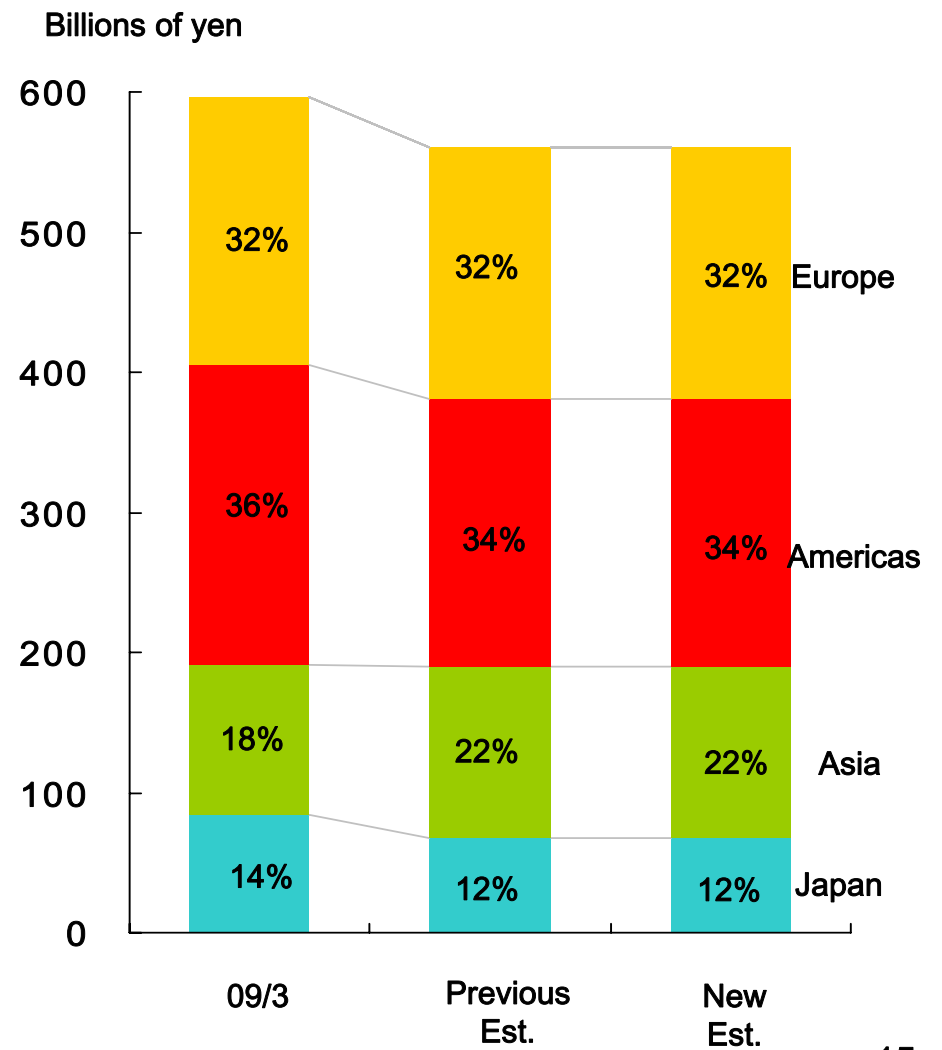
Full year estimation unchanged in consideration of currency exchange risk and severe competitive environment while sales started steadily in 4Q.



Sales value by Products



Sales value by Region

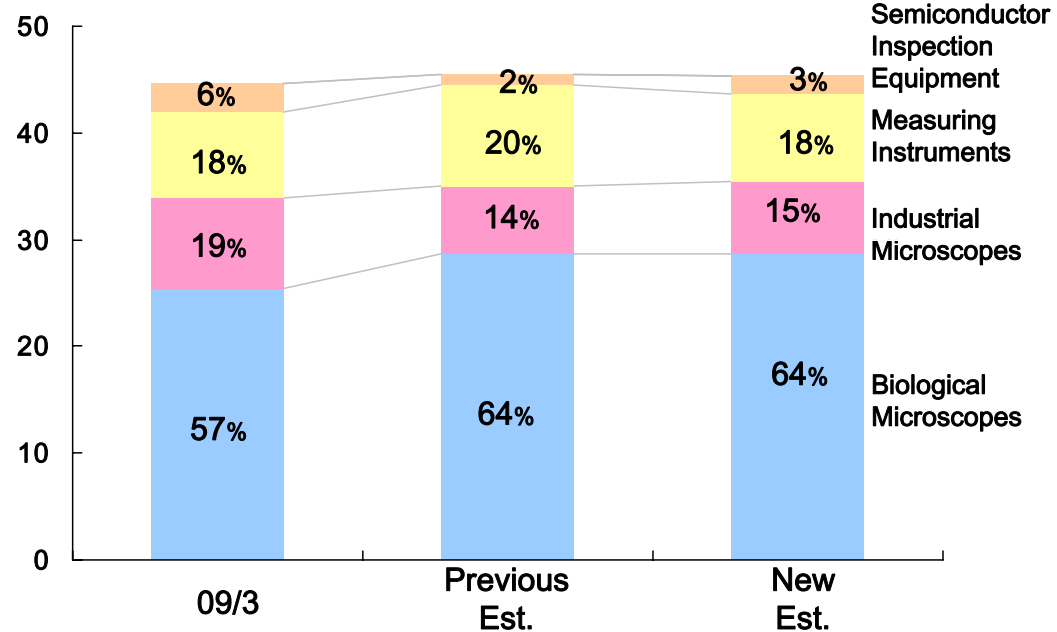


Estimation for Instruments Company



Billions of yen	09/3	3 Qs 4Q	Previous est. as of Nov.5 2009	1H 2H	New est.	3 Qs 4Q
Net Sales	44.6	$\frac{34.2}{10.4}$	45.0	$\frac{17.8}{27.2}$	45.0	$\frac{29.6}{15.4}$
Operating Income % vs Net Sales	- 2.7 -%	$\frac{-1.8}{-0.9}$	- 10.5 -%	$\frac{-2.6}{-7.9}$	- 10.0 -%	$\frac{-8.3}{-1.7}$

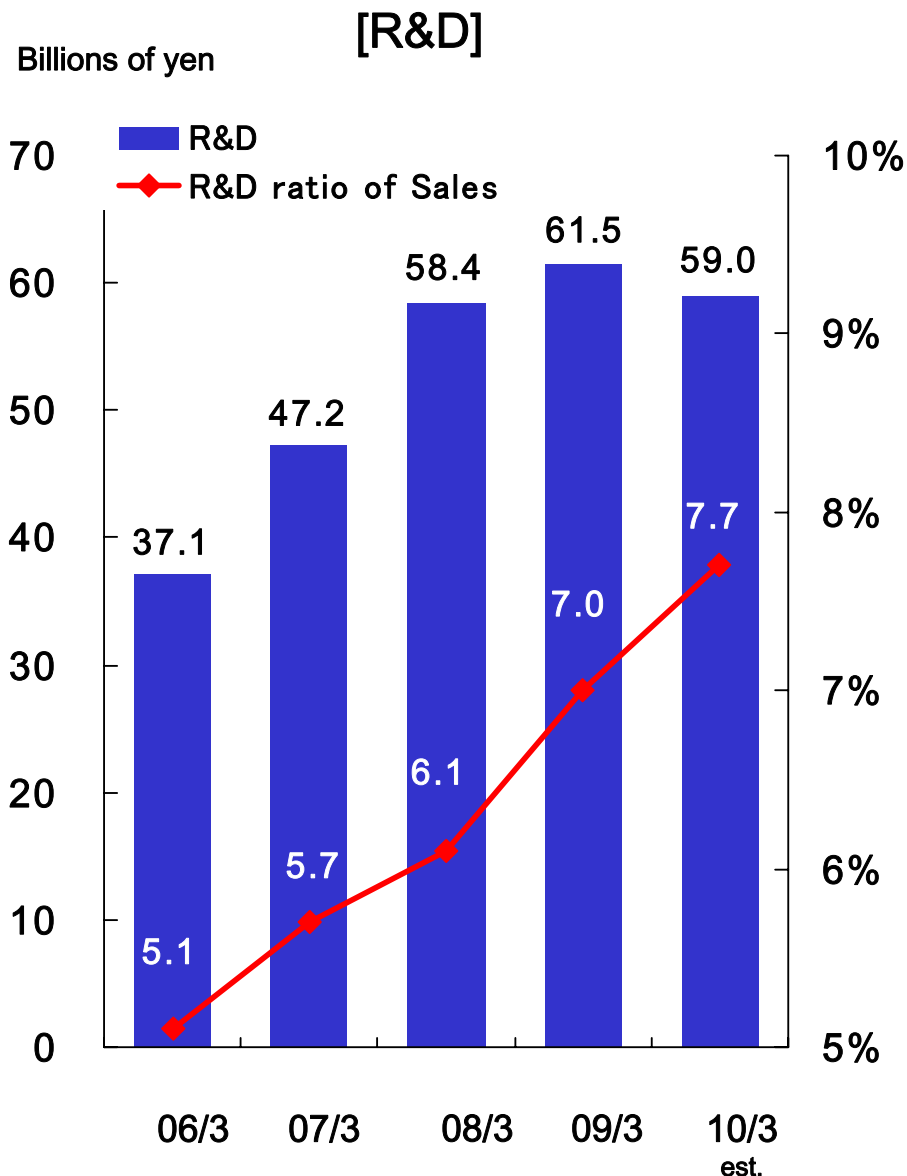
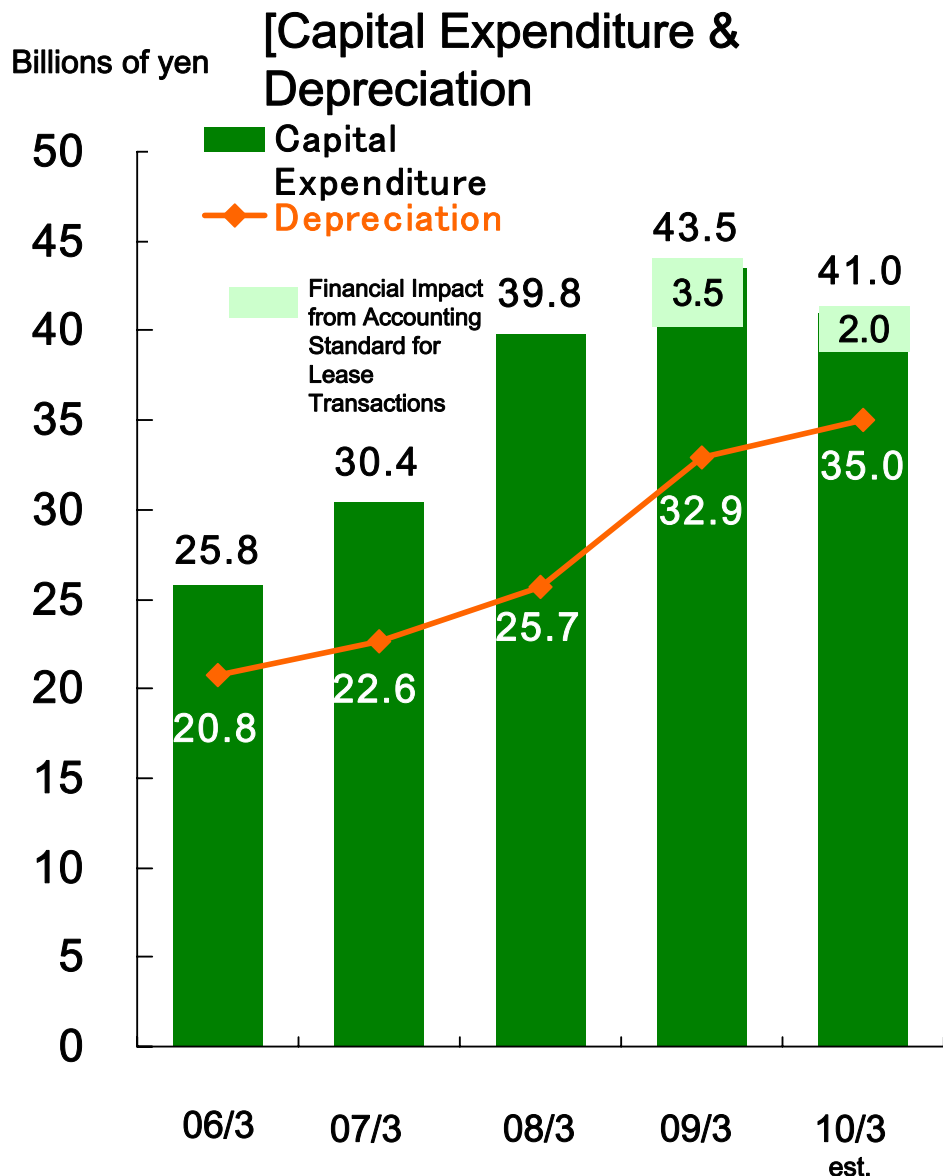
Billions of yen



A sign of recovery of Industrial Equipment business is appearing in some regions.

Estimated Operating Income is revised upward with further cost reduction.

Estimation for Capital Expenditure, Depreciation and R&D

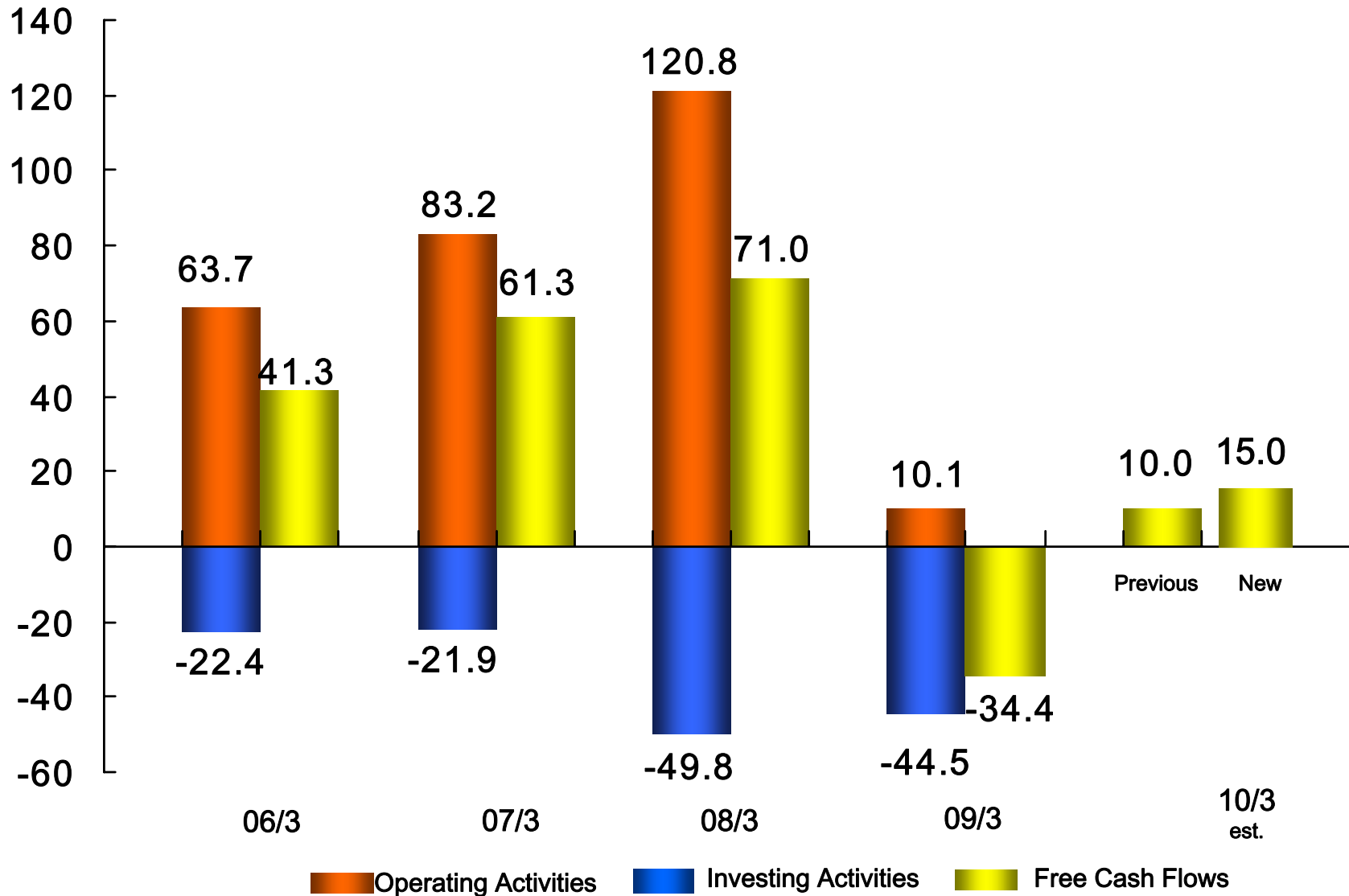


* 09/3 & 10/3: Include the amount of acquisition of Lease asset by change of Accounting Standard for Lease Transactions
 09/3: Capital Expenditure 3.5 / Depreciation 3.0
 10/3: Capital Expenditure 2.0 / Depreciation 3.0 (Billions of yen)

Estimation for Cash Flows



Billions of yen



Securing profitability in Operating Income of 2H, we aim to move into the black in the next fiscal year and get back on track for steady growth in FY12/3.

Precision Equipment Company:

- We will concentrate all our strength to accomplish high performance of “NSR-S620”, cutting-edge ArF immersion tool on schedule and lead to produce good result in next year.
- We acquired firm order of LCD Scanners for China, and will do our utmost to ship and start them operating with special care.
- Structural reform such as reorganization of manufacturing and servicing subsidiaries will continue on schedule.

Imaging Company:

- We will win tough competition in each business aspect of product planning, development, manufacturing, sales and service. Our challenge is to improve profitability.
- Concentration to develop next generation DSC with interchangeable lenses will continue.

Instruments Company:

Pursuing Post Merger Integration process of Nikon Metrology NV which is now fully consolidated, and aim to produce synergy of integration as early as possible.

Cash dividend per share of common stock: 8 Yen (entire year) as planned.

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10/3 Estimation

Billions of yen	Exchange Rate	Financial Impact from fluctuation by 1 yen	
	10/3 4Q Forecast	Net Sales (4Q)	Operating Income (4Q)
U S \$	90	Approx. 0.5	Approx. 0.1
EURO	130	Approx. 0.2	Approx. 0.2

Reference Data:

Earning Estimation for the Year Ending March 31, 2010

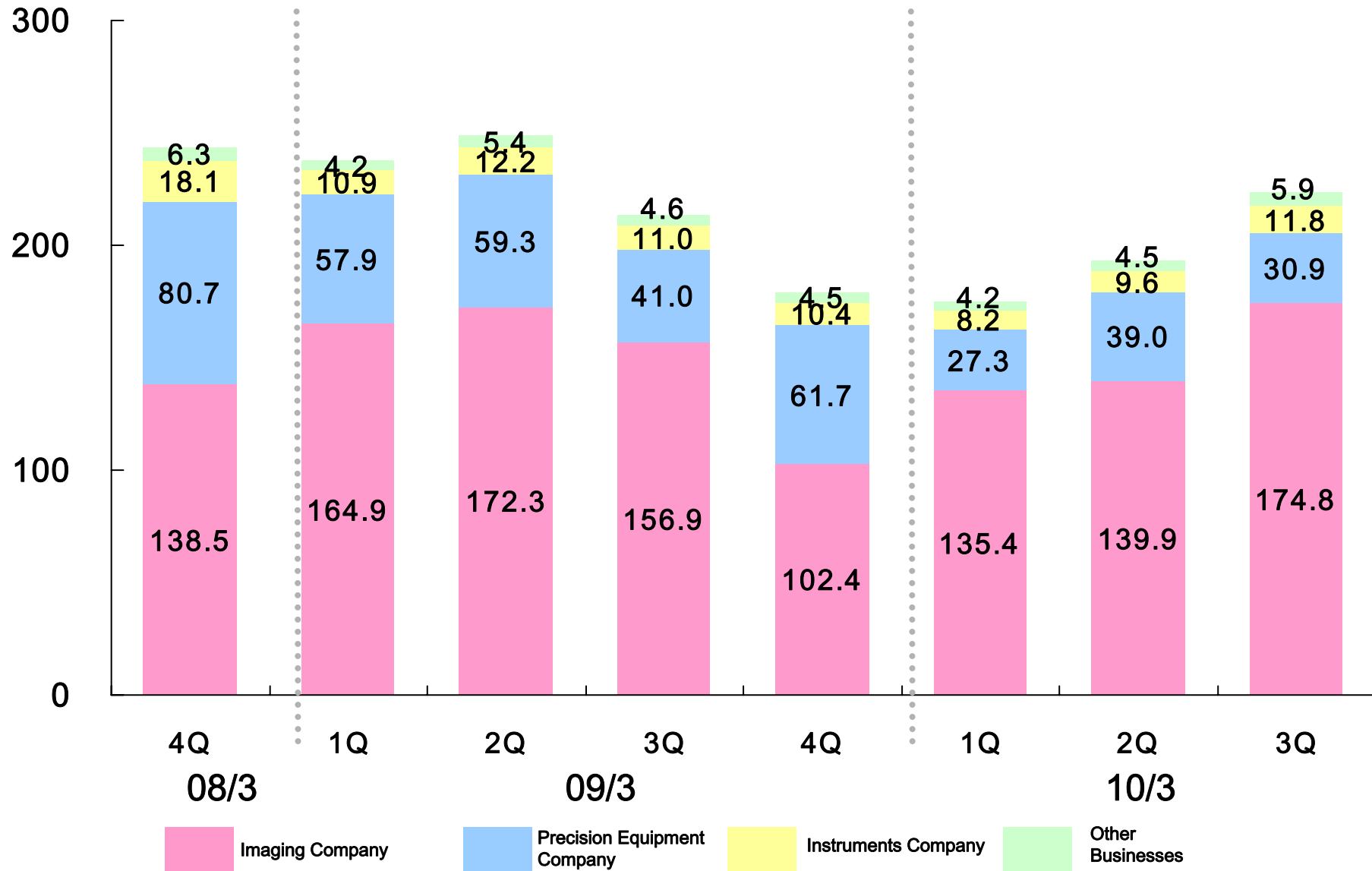


Billions of yen		09/3 Actual		Previous Est. as of Nov.5, 2009		New Est.	
Operating Income	1H	48.2	54.1	-18.0	-19.5	-16.0	-19.5
	2H		-5.9		1.5		3.5
Non-operating Income / expense		-0.5		-6.0		-3.0	
Ordinary Income	1H	47.7	53.1	-24.0	-22.3	-19.0	-22.3
	2H		-5.4		-1.7		3.3
Extra ordinary gain & loss		-8.5		-6.0		-3.0	
Income Taxes		11.1		-9.0		-5.0	
Net Income	1H	28.1	33.6	-21.0	-17.7	-17.0	-17.7
	2H		-5.5		-3.3		0.7

Reference Data: Quarterly Net Sales by segments



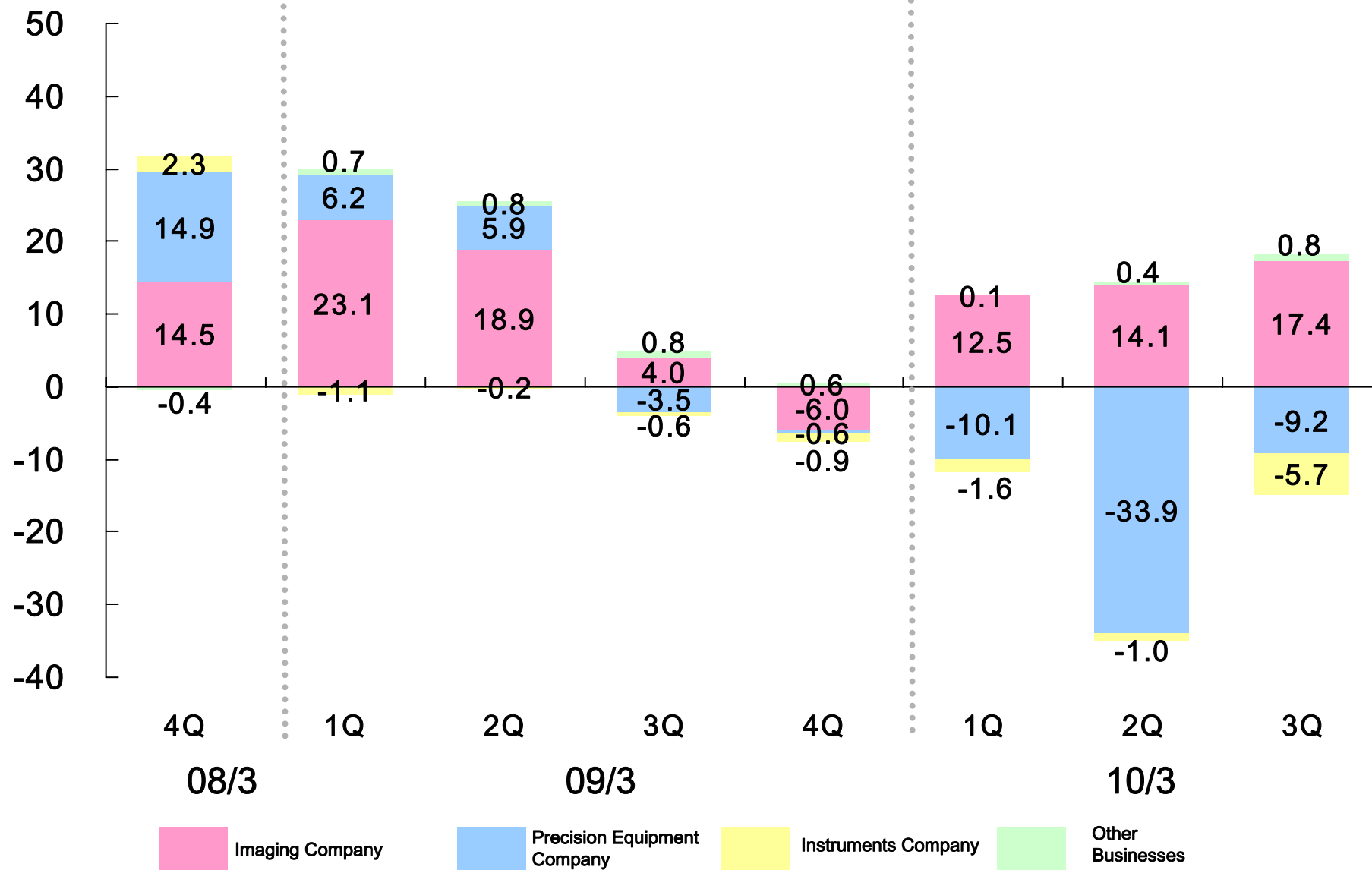
Billions of yen



Reference Data: Quarterly Operating Income by segments



Billions of yen





NIKON CORPORATION