



August 31, 2021

Notice Regarding Recognition of a Gain on Sales of Investment Securities

NIKON CORPORATION (hereafter referred to as “the Company”) announced a sale of a part of the investment securities held in JEOL Ltd. (First Section of the Tokyo Stock Exchange, Code Number 6951) by the Company through a secondary offering in accordance with the written resolution of the Board of Directors established on August 31, 2021 based on Article 370 of the Companies Act and Article 25 of the Articles of Incorporation. As a result, the Company will recognize a gain on sales of investment securities as follows. For further details of the secondary offering, please refer to the timely disclosure documents released by JEOL Ltd. today. (<https://www.jeol.co.jp/corporate/ir/disclosure/> Japanese only)

1. About the partial sale of shares held in JEOL Ltd.

The Company currently holds 4,300,000 shares in JEOL Ltd. and will sell 2,000,000 of these shares to improve asset efficiency and strengthen the financial position through a secondary offering. With regard to the remaining shares of JEOL Ltd. will continue to hold, the Company has agreed with the underwriter of this secondary offering that, in principle, no share disposal of any kind shall be performed without the prior written consent of the underwriter during the period starting from the date on which the price of the shares is determined (on certain date between September 8, 2021 and September 13, 2021) and ending on the date that is 180th day from and including the date of delivery of the shares (such date will be on certain date between September 16, 2021 and September 21, 2021) (lock-up period).

2. Impact on the Financial Results

For the fiscal year ending March 31, 2022, the Company will recognize the gain on the sale of the investment securities associated with the secondary offering in the amount of 14.2 billion yen (estimated approximate amount based on the assumption that the sale price is 7,810 yen, closing price of common shares of JEOL Ltd. as of August 30, 2021), in its non-consolidated financial statements, which are prepared under Japanese GAAP.

The aforementioned gain will have no impact on the consolidated financial results including profit attributable to owners of the parent for the year, as the Company prepares its consolidated financial statements under International Financial Reporting Standards (IFRS).

3. Future Relationship with JEOL Ltd.

The Company, as announced on February 14, 2014, “Announcement of Capital and Business Alliance with JEOL Ltd.”, agreed to a capital and business alliance with JEOL Ltd. to expand sales, enhance product competitiveness, and to work together market research to find new business opportunities, such as to build the Correlative Microscopy solution by linking the Company’s optical microscopes and JEOL Ltd.’s electron ones..

The decision to sell a part of the shares held in JEOL Ltd. will have no impact on the capital and business alliance between the two companies. The Company aims to enhance enterprise value through collaboration with JEOL Ltd.

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