

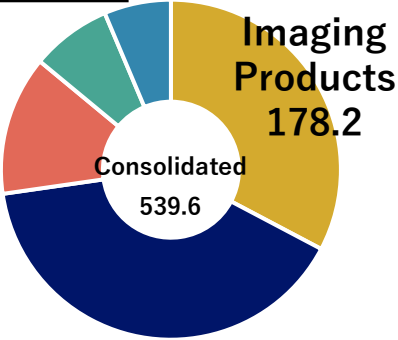
# Imaging Products Business

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Senior Vice President

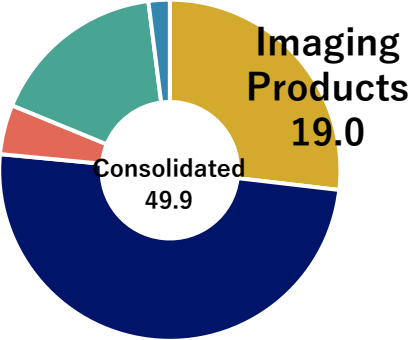
FY2022/3

Billions of yen

Revenue



Operating profit (※)



(※) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

## Major products & Services

Digital cameras, Interchangeable lens  
Binoculars, Telescopes, Image contents, Automatic image capture



Mirrorless Camera [Z 9]



Mirrorless Camera [Z fc]



NIKKOR Lens



「NIKKOR Z 70-200mm f/2.8 VR S」

## Vision

Expand the possibilities for visual expression and acquire overwhelming support from all generations of fans around the world

## Financial target

	FY2023/3	FY2026/3
Revenue	¥210.0B	¥200.0B
Operating profit	¥22.0B	¥22.0B
OPM	10%	11%

### Vision

Expand the possibilities for visual expression and acquire overwhelming support from all generations of fans around the world

### Operational direction

#### Digital cameras

- Concentrate management resources in high value-added products and mirrorless cameras (Meet expectations of pro/hobbyists and raise ASP 20%)
- Bolster the Z mount system by expanding lens lineup (50+ lenses and a 2+ lens tie ratio)
- Appeal to video creators by strengthening video functions
- Strengthen remote operation and automatic image capture features to meet professional needs
- Focus on licensing business

#### Binoculars, telescopes, etc.

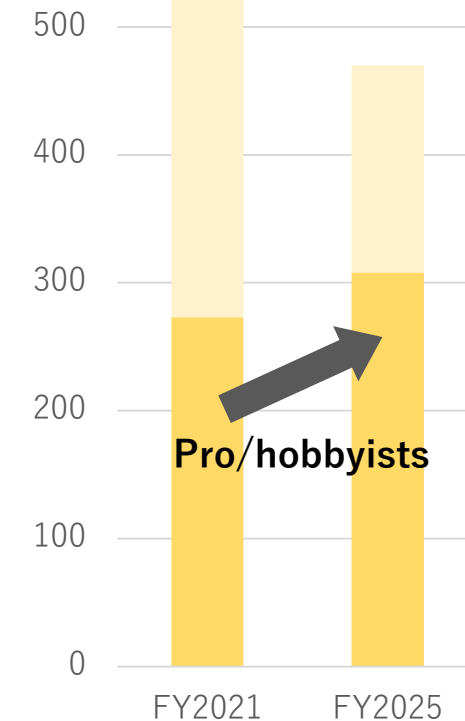
- Focus on laser range finders for golf and digital astronomical telescopes

### Earnings plan

**Achieve revenue of ¥200.0B and Operating profit margin of 10% on a stable basis**

### Direction for Imaging Products Business

Market scale for digital cameras-interchangeable lens type (10,000 units)



#### For pro/hobbyists

- Deploy advanced features from the Z 9 across the lineup

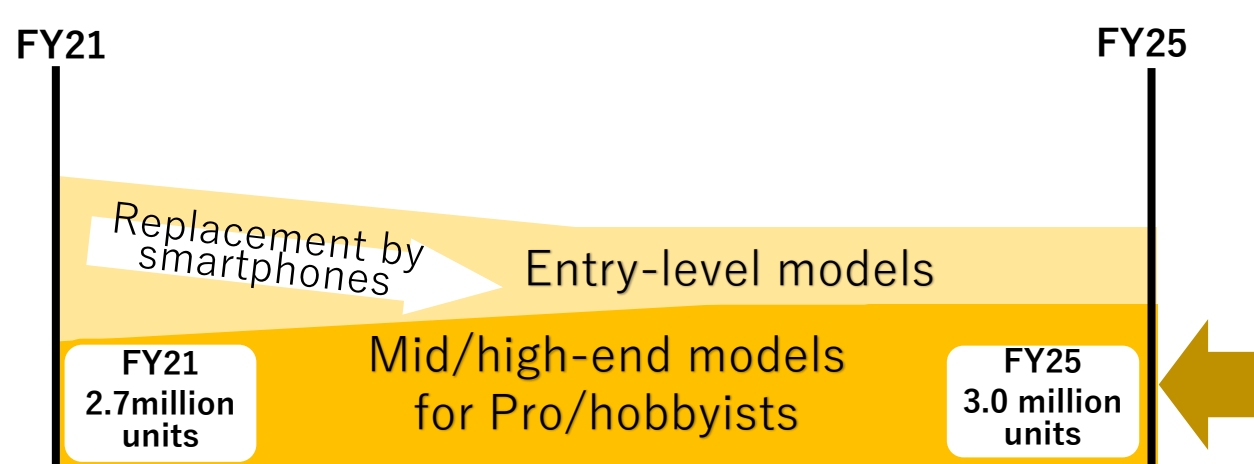
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#### Cultivate, expand fan base

- Bolster engagement before and after purchase
- Focus on apps and the cloud

### Market

DCIL market is shrinking as the replacement of entry models for recording purposes with smartphones is progressing. However, greater demand for video expression growing market for mid/high-end models for pro/hobbyists. Assuming market scale of stable 3 million units by FY2025.



### Mid/high-end market: More young photography enthusiasts and broader use cases for video

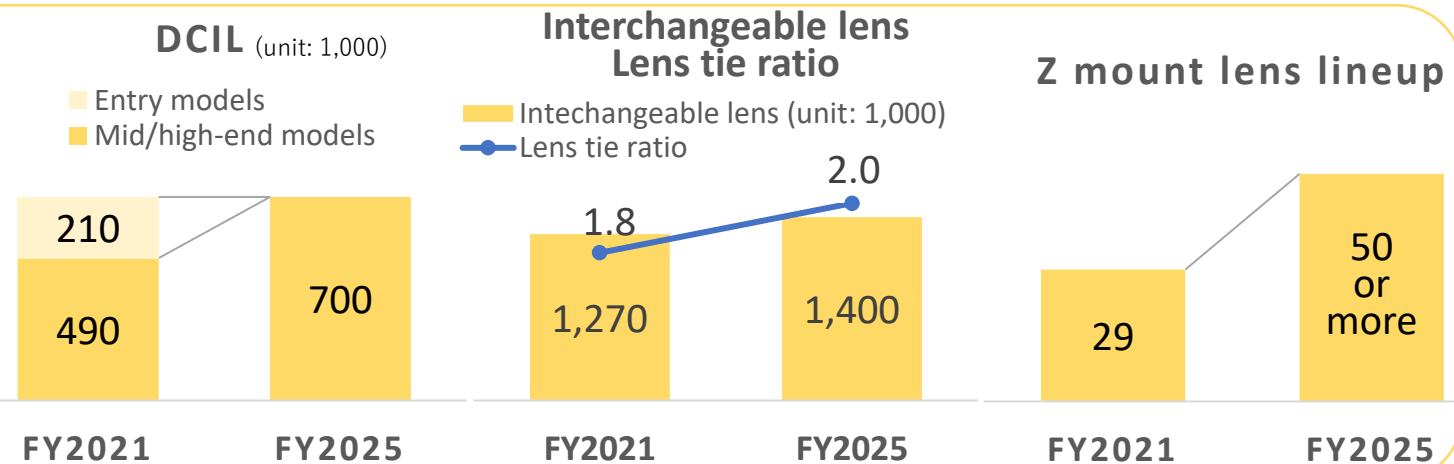
- The number of Use on Instagram has nearly doubled over the past 6 years
- Consumers in their 20s or younger increasingly motivated to purchase DCIL for “better pictures than a smartphone” and “use on social media”
- The number of users motivated by “video shooting” has more than tripled over the past 6 years.

\*Nikon research

### Business strategy

- Focus on mid/high-end models for pro/hobbyists
- Strengthen products & services responding to young hobbyists and video needs
- Strengthening the earnings base by expanding the lens lineup
- Promotion of fan building

### KPI



The launch of Z 9 with substantially upgraded video performance has rapidly opened the market for video professionals and creators.



- Received both the “Camera of the Year” and “Readers Award” in the Camera GP 2022
- Top selling professional flagship full-frame mirrorless camera in the first quarter of 2022 in the USA

Compared to conventional dedicated video recorders, its superb AF performance and significantly smaller size and lighter weight enables one-person operations

- 8.3K60p 12bit RAW video
- Dust and water resistant. Fanless structure. Does not shut down with heat.
- 2+ hours of long-lasting shooting
- Superb AF performance including the lens
- Priced to meet individual needs, too

Increasingly adopted in production site and broadcast station settings as a video camera that supports professionals’ workflows.



- Support video shooting ecosystem by actively allying with specialized accessory makers
- Strengthen video lineup





# Remote Workflows Supporting Professional Needs

Imaging Products Business

Support demand for capturing emotive moments that could not be captured before and win high marks from professionals

Needs to be quiet to allow for concentration

Use case: Go and Shogi competitions



Capture images from angles that humans cannot position themselves in to capture moments as dynamic scenes (sports competitions)

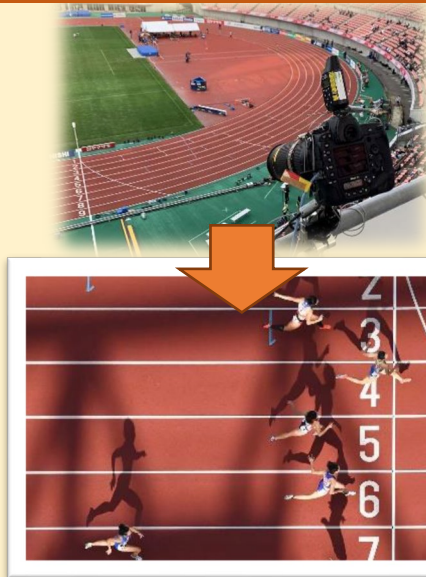


Image provided by AFP



Image provided by AFP

## Future

Achieve unprecedented shooting by automatically and continuously capturing images so as not to let decisive moments pass by

Further upgrade remote image capturing features such as stability, immediacy and mobility

Apps and hardware that support Nikon's remote image capture system, which is highly regarded by professionals



### NX Field

Control of multiple cameras and high-speed forwarding



### NX MobileAir

Editing of image information  
High-speed forwarding from smartphone



### MRMC POD

Mobile camera pan head equipped with flagship camera



※MRMC is a part of the Nikon group of companies

Support a society where people are connected in ways that transcend time and space with imaging production technologies

### Needs in society and industry

- New imaging expressions and connections with people
- Reduced costs in contents production
- Education and remote work support that is reproducible and effective

### Nikon's strengths

- Imaging technologies such as volumetric, 3D capture and 360°
- Japan's first partner company of Microsoft Mixed Reality Capture Studios

### Business development

- Recruit external talent and started operations at Nikon Creates Corporation
- Deliver solutions and support production of sophisticated 3D and 4D contents with a broad range of creators and producers
- Externally supply VR and MR after enhancing effectiveness on our own production floors



**Metaverse** (Citigroup announced Apr. 2022)  
Market size : approx. ¥980T~¥1,600T(2030)  
Numbers of users : 5B(2030)  
Target market : Art/Media/Advertisement/  
Healthcare/Marketing/Sales, etc.





Deploy a variety of contents and solutions toward a digital twin society

### Contribute to 3D/4D space made by creators

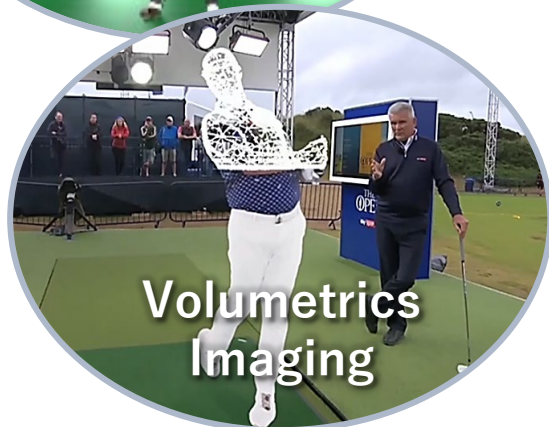
**Image production leveraging volumetrics imaging and LED virtual production** Achieve high-quality contents and workflow innovations leveraging Nikon's imaging and robotics technologies

3D capturing technology

Image processing technology

Robotics technology

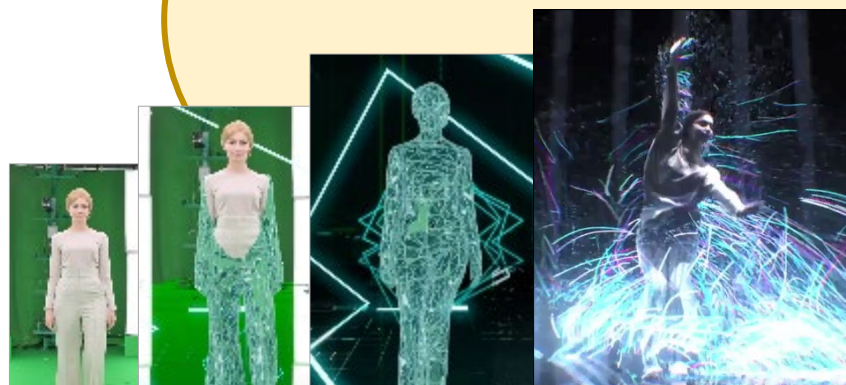
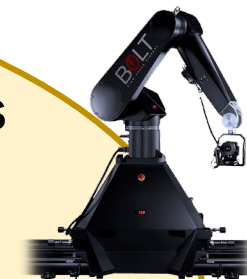
Produce and deliver contents to a digital twin society



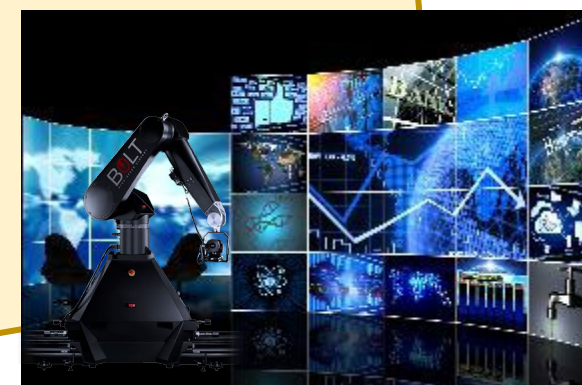
Volumetrics Imaging

Summer 2019 : Commercialized volumetrics imaging (UK The Open)

Spring 2022 : Nikon Creates Corp. Began operations in Japan



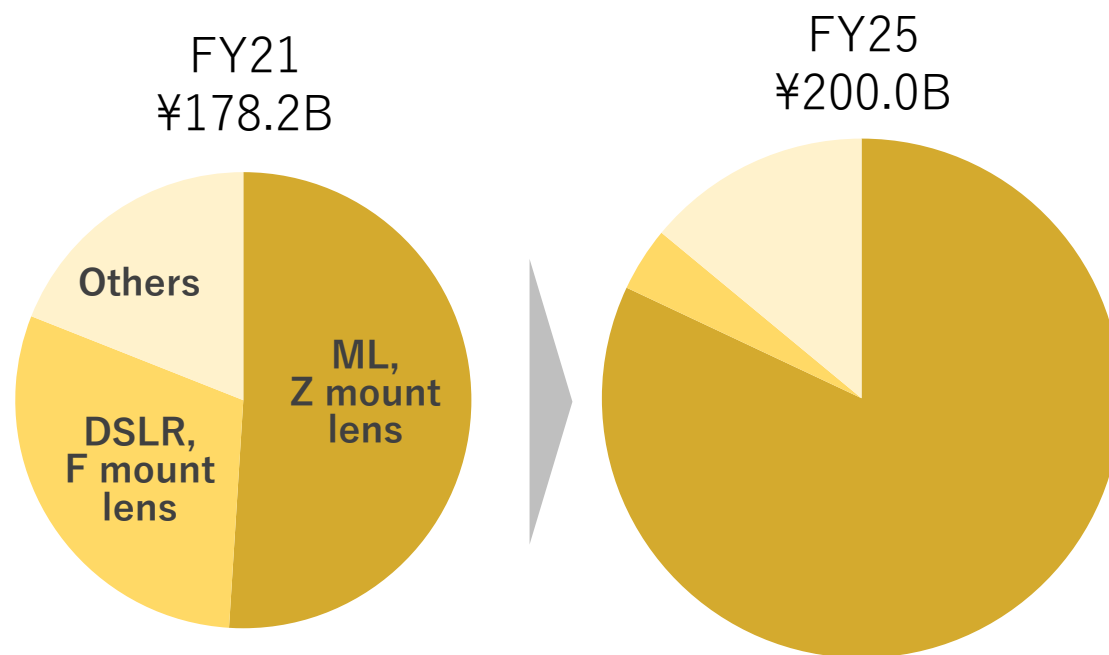
Volumetrics imaging



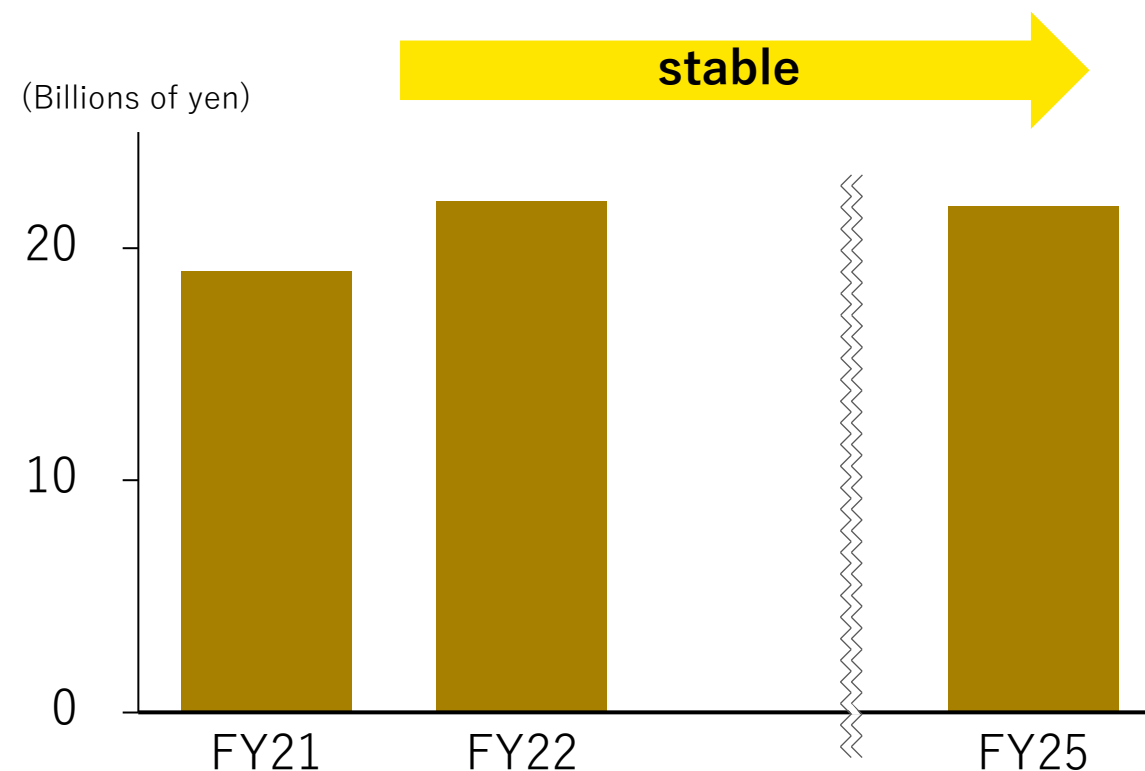
LED virtual production



### Revenue



### Operating profit



Support Nikon brand with stable operating profit of approx. ¥20.0B during the period of the Medium-Term Management Plan