



Financial Results for the year ended March 31, 2020

Progress of Medium-Term Management Plan

May 28, 2020

1. Financial Results for the year ended March 31, 2020 and Forecasts for the year ending March 31, 2021
2. Update on our response to COVID-19
3. Progress on Medium-Term Management Plan

Summary for the year ended March 31, 2020



Revenue

¥591.0B

- **vs Previous forecast : down ¥29.0B (Impact of COVID-19 : approx. -¥33.0B)**
 - Revenue decreased in all businesses except Semiconductor Lithography Business due to the impact of COVID-19.
- **YoY : down ¥117.6B**
 - **Imaging Products** : Although the revenue of ML grew, revenue of business as whole decreased by approx.¥70.0B due to the market shrinkage and delay of new product launch by the impact of COVID-19.
 - **Precision Equipment** : Revenue decreased by more than ¥30.0B as whole business, as sales of FPD Lithography Business decreased due to the customer investment came to full cycle as well as postponement of the sales to next term due to the impact of COVID-19, even though revenue grew in Semiconductor Lithography Business.

Operating Profit

¥6.7B

- **vs Previous forecast : down ¥13.3B (Impact by COVID-19 : approx.-¥10.0B, additional impairment loss : approx.-¥10.0B)**
 - Significant decrease in profit, due to the impact of COVID-19 and additional impairment losses in Imaging Products Business and Industrial Metrology Business, as a result of careful review of CF projection considering significant deterioration of business environment.
- **YoY : down ¥75.9B**
 - **Imaging Products** : In deficit due to decreased revenue, investments for new product development and the booking of impairment losses. Restructuring has been progressed as expected.
 - **Precision Equipment** : Profit dropped due to decreased sales volumes in FPD Lithography Business and no temporarily profit from litigation settlement.

Note: Amounts in this presentation material are rounded down to the hundred millions of yen, previous forecast is the forecast as of Feb. 6, 2020.

FY2020/3 : Major change from previous forecast (Feb.6, 2020)



Billions of yen		Previous forecast	Imaging product	Precision equipment	Others	Total impact	Actual
Revenue	Impact of COVID-19		approx.-10.0	approx.-20.0	approx.-3.0	approx.-33.0	
	Other change and foreign exchange		approx.1.0	approx.5.0	approx.-2.0	approx.4.0	
	Consolidated	620.0	-9.2	-15.3	-4.7	29.0	591.0
Operating Profit	Impact of COVID-19		approx.-4.0	approx.-5.0	approx.-1.0	approx.-10.0	
	Fixed asset impairments		-6.6	0	-3.6	-10.3	
	Restructuring relevant expenses		2.3	0	0	2.3	
	Efficiencies and cost reduction		approx.2.0	approx.0	approx.4.0	approx.6.0	
	Other change and foreign exchange		approx.-1.0	approx.1.0	approx.-1.0	approx.-1.0	
	Consolidated	20.0	-7.1	-4.3	-1.9	-13.3	6.7

Impact of COVID-19 (Operating profit)	: Imaging Products	approx.¥4.0B	Due to product mix change by suspension of distributors mainly selling mid and high-end cameras, and delay of launch in main products including professional use products by stagnation of the supply chain.
	: Precision Equipment	approx.¥5.0B	5 FPD lithography systems sales were postponed to FY2021/3 and decreased service sales.
	: Other	approx.¥1.0B	Mainly due to decreased revenue in Healthcare Business.
Fixed asset impairment losses	: Imaging Products	¥6.6B	Reduced CF projection for Nikon Corporation and its subsidiary in Japan. Impaired mainly intangible assets such as software. Separately, ¥800M for unused equipment at overseas manufacturing company was booked in connection with restructuring relevant expenses.
	: Other	¥3.6B	Reduced CF projections for some products in the Industrial Metrology Business. Primarily goodwill was impaired down to recoverable amount.

Note: Amounts have been rounded to the first decimal point. Events that impact only the parent business (by Japanese accounting standards) have been omitted. The companywide total impairment is ¥11.2B, of which ¥7.4B is in Imaging Products Business. However, ¥800M recognized as restructuring relevant expenses is excluded from the above table.

Financial Results for the year ended March 31, 2020: Highlights



Billions of yen	FY2019/3 Actual(A)	Previous Forecast (Feb. 6) (B)	FY2020/3 Actual(C)	Change (C)-(A)	Change (C)-(B)
Revenue	708.6	620.0	591.0	-117.6	-29.0
Operating Profit	82.6	20.0	6.7	-75.9	-13.3
% vs Revenue	11.7%	3.2%	1.1%		
Profit before income taxes	87.9	23.0	11.8	76.1	-11.2
% vs Revenue	12.4%	3.7%	2.0%		
Profit attributable to owners of the parent	66.5	17.0	7.6	-58.9	-9.4
% vs Revenue	9.4%	2.7%	1.3%		
FCF	43.5	15.0	-4.8	-48.3	-19.8
Exchange Rate :				Impact on Revenue	
US \$	¥111	¥108	¥109	-14.2	2.6
EURO	¥128	¥121	¥121	Impact on Operating Profit	
				-4.3	0.1

FCF decreased YoY due to reduced advanced payment and the changes of payment terms for the domestic partner companies etc.

Financial Results for the year ended March 31, 2020:by Segments

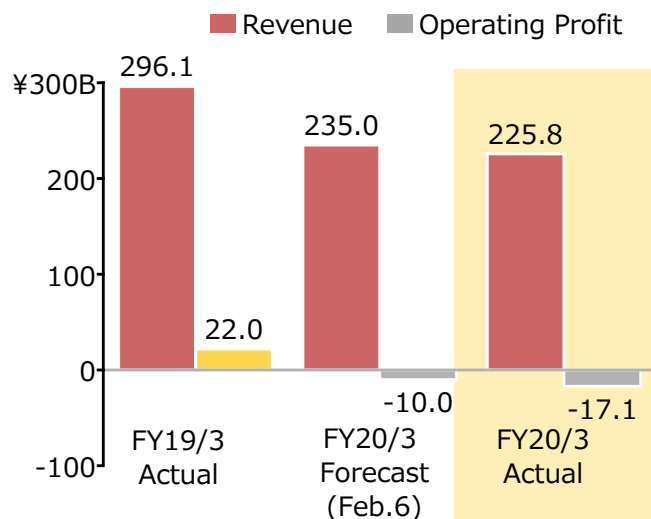


Billions of yen		FY2019/3 Actual (A)	Previous Forecast (Feb. 6) (B)	FY2020/3 Actual (C)	Change (C)-(A)	Change (C)-(B)
Imaging Products Business	Revenue	296.1	235.0	225.8	-23.7%	-3.9%
	Operating Profit	22.0 (22.6)	-10.0 (-5.0)	-17.1 (-14.4)	-¥39.1B	-¥7.1B
Precision Equipment Business	Revenue	274.5	255.0	239.7	-12.7%	-6.0%
	Operating Profit	81.7 (81.7)	51.0 (51.0)	46.7 (46.7)	-¥35.0B	-¥4.30B
Healthcare Business	Revenue	65.4	65.0	62.0	-5.2%	-4.6%
	Operating Profit	-1.9 (-1.9)	-1.0 (-1.0)	-2.4 (-2.4)	-¥0.5B	-¥1.40B
Industrial Metrology and Others	Revenue	72.5	65.0	63.3	-12.7%	-2.6%
	Operating Profit	6.9 (7.5)	4.0 (4.0)	3.1 (3.1)	-¥3.8B	-¥0.9B
Corporate P/L non- attributable to any reportable segments	Revenue	-	-	-	-	-
	Operating Profit	-26.1 (-25.6)	-24.0 (-22.3)	-23.6 (-21.9)	+¥2.5B	+¥0.4B
Consolidated	Revenue	708.6	620.0	591.0	-16.6%	-4.7%
	Operating Profit	82.6 (84.4)	20.0 (26.7)	6.7 (11.2)	-¥75.9B	-¥13.3B

Note: The operating profit figures in parentheses exclude restructuring relevant expenses.

Corporate P/L not attributable to any reportable segments includes the elimination of intersegment transactions that amount to ¥0.6B in FY2019/3, -¥2.1B and the gain from unused land sales of ¥3.8B in FY2020/3.

Results for the year ended March 31, 2020: Imaging Products Business



Digital Camera-Interchangeable Lens type (units:1,000)

Market Scale	10,040	7,800	7,920
Nikon	2,060	1,500	1,620

Interchangeable Lens (units:1,000)

Market Scale	16,960	13,500	13,370
Nikon	3,170	2,500	2,650

Compact DSC (units:1,000)

Market Scale	8,220	6,000	6,190
Nikon	1,600	900	840

• Revenue: Down ¥9.2B vs. previous forecast Down ¥70.3B YoY

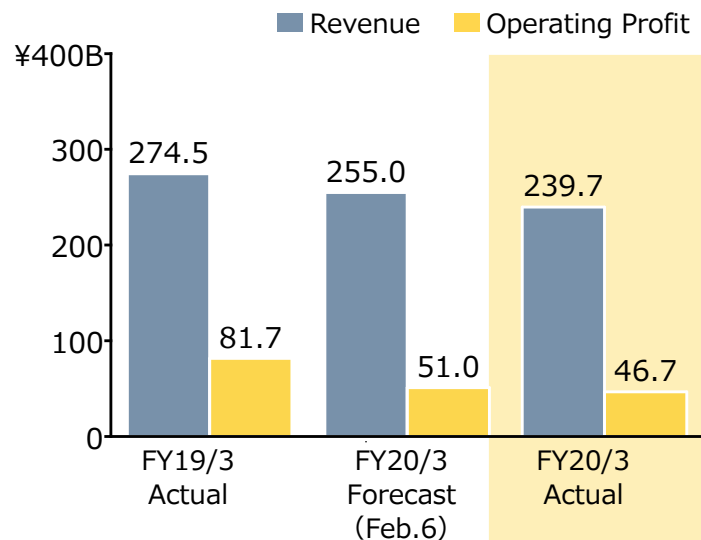
- Revenue had been progressing mostly in line with previous forecasts until the middle of February. However, Revenue decreased due to declined demand and delay in new products launches such as high-end DSLR cameras and lenses for ML by the impact of COVID-19.
- Compared to last year, sales volumes of ML and its lenses increased. Volume/sales ratio of mid-range and high-end cameras for professionals and hobbyist improved steadily, as well as IL tie ratio against camera. Online sales ratio also grew.

• Operating Profit: Down ¥7.1B vs. previous forecast Down ¥39.1B YoY

- Posted ¥2.7B (planned as ¥5.0B) in restructuring relevant expenses. Reduced ¥25.0B of business costs (planned as ¥50.0B during Medium-Term Management Plan period).
- Posted ¥6.6B in fixed asset impairment losses on reduced CF projections for Nikon Corporation and its subsidiary in Japan due to the impact of COVID-19.
- Losses grew as impairments outstripped cost reductions in sales, R&D and restructuring relevant expenses.

Note: The impairment losses are ¥7.4B, yet above ¥6.6B was not include restructuring relevant expenses.

Results for the year ended March 31, 2020: Precision Equipment Business



FPD Lithography Systems (units)

Market Scale (CY18/19)	142	90	90
Nikon	70	32	27

Semiconductor Lithography Systems (New/Refurbished, units)

Market Scale (CY18/19)	300	250	280
Nikon	21/20	30/11	34/11

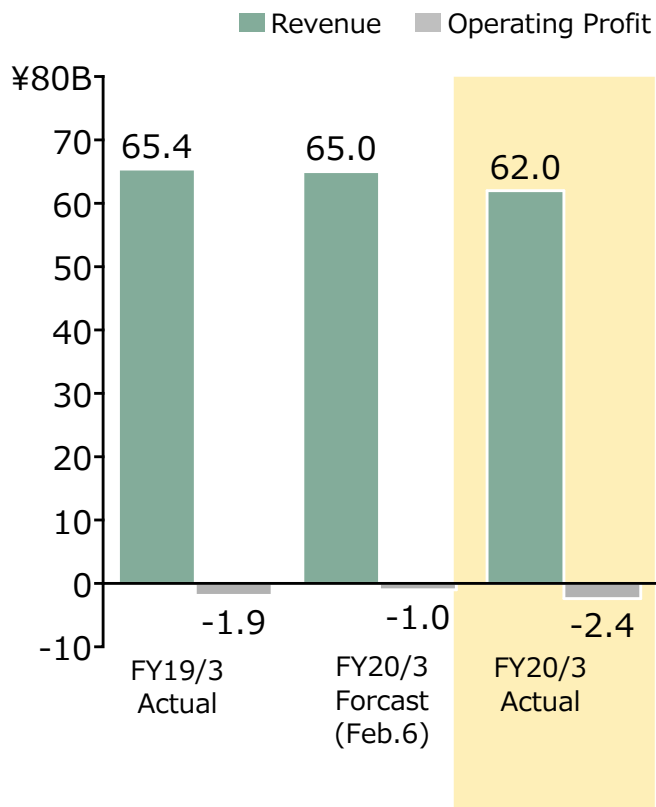
• Revenue: Down ¥15.3B vs. previous forecast Down ¥34.8B YoY

- FPD : Compared to previous forecast, sales of 5 systems postponed to FY2021/3 as installation delayed due to the impact of COVID-19. Compared to last year, revenue down significantly as customer investments in 6G and 8G systems came to full cycle.
- Semiconductor: Compared to previous forecast, 4 systems' installations completed early as customer request. Compared to last year, revenues up on increased volumes of new systems.

• Operating profit: Down ¥4.3B vs. previous forecast Down ¥35.0 B YoY

- Compared to previous forecast, profit down in the business as a whole. Postponement of FPD system sales into FY2021/3 weighed on revenues. That impact outweighed the boost to profits from increased semiconductor volumes.
- Compared to last year, profit down approx.¥20.0B excluding the approx.¥15.0B temporary profit booked in FY2019/3 due to litigation settlement.

Results for the year ended March 31, 2020: Healthcare Business



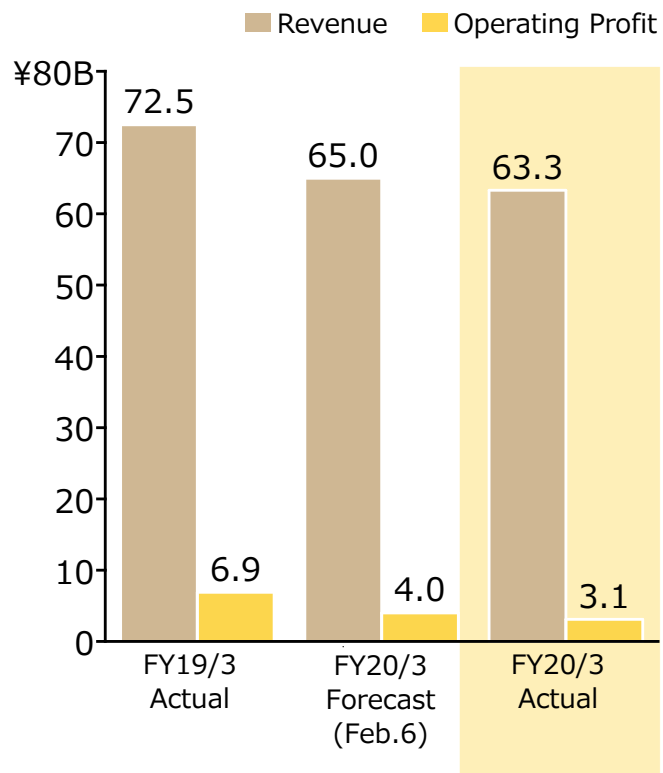
- **Revenue: Down ¥3.0 B vs. previous forecast
Down ¥3.4 B YoY**

- Revenue decreased compare to previous forecast and last year as well. Revenue decreased in biological microscopes and retinal diagnostic imaging systems due to the impact of COVID-19 etc.

- **Operating Profit: Down ¥1.4 B vs. previous forecast
Down ¥0.5 B YoY**

- The plan was to halve losses vs. the previous year by focusing the investments in regenerative medicine and ophthalmological diagnosis fields. Instead, losses grew YoY due to the impact of COVID-19.

Results for the year ended March 31, 2020: Industrial Metrology Business and Others



- **Revenue: Down ¥1.7 B vs. previous forecast
Down ¥9.2 B YoY**

- Compared to previous forecast, revenue did not reach the target due to the impact of COVID-19 etc.
- Compared to last year, revenue decreased as customers mainly in Asia including China reigned in investment. However, revenue grew as planned in growth segments of X-ray inspection systems and non-contact 3D metrology systems.

- **Operating Profit: Down ¥0.9 B vs. previous forecast
Down ¥3.8 B YoY**

- Compared to previous forecast, posted ¥3.6B impairment of fixed assets based on Industrial Metrology Business consolidation, including NM (reducing NM goodwill balance to zero) due to significant deterioration of business environment triggered by the impact of COVID-19 etc. Overall expense reductions suppressed the decline in profits to ¥0.9B.

Note: NM refers to Nikon Metrology NV, an overseas subsidiary of organizing functions of the development, manufacture, sale and service of metrology systems and X-ray, CT systems in Industrial Metrology Business.

Forecasts for the year ending March 31, 2021



Performance forecasts

- **Undecided**
- To be disclosed once reasonable estimation can be given as the impact of COVID-19 is uncertain.

Performance outlook including impact of COVID-19

- **Imaging Products:** Sales in April and May decreased significantly YoY. Although economic activity is recovering in some areas, the business of luxury goods is expected to continue in a severe business environment for the time being, and the deficit for the second consecutive fiscal year is inevitable.
- **Precision Equipment:** In addition to preponed installation of systems to FY2020/3 of Semiconductor Lithography Business, the timing of resuming FPD Lithography systems' shipments/installations may be delayed due to travel restrictions, which could lead some sales to be postponed to FY2021/3.

Financial soundness

- **Equity ratio:** Consolidated equity ratio of 53.7%, maintains a strong financial base
- **Liquidity on hand:** Secured more than ¥400.0B in total of cash on hand and commitment lines of credit etc. for working capital.

Note: Forecasts for FCF, year-end inventory and FX to be determined. Capital and R&D expenditures assumed to be same as last year.

Dividend Policy

- Capital allocation : Continue policy with total return ratio of 40% or more
- ¥60 dividend : Due to significant deterioration of business environment and future CF projection, we withdrew the lower target for dividends per share to maintain growth investment capacity and crisis response.

Dividend

- FY2020/3 : Annual dividend ¥40 (¥30 interim, ¥10 Year-ended)
- FY2021/3 : Undecided

Buy-back FY2020/3

- Buy-back amount : ①approx. ¥10.0B ②approx. ¥30.0B
- Number of shares : ①approx. 6.6M shares ②approx. 22.5M shares
- Buy-back period : ①May2019~June 2019 ②November 2019~March 2020
- Stock cancellation : ②22.5M of shares have been cancelled in March 2020.

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● Overall business activities

- Business is being conducted with a priority placed on the health and safety of employees, suppliers and customers.
 - Continue operations with maximum effort to prevent infection while combining shifts work and work from home.

● Preparations for emergency responses to system of production and SCM disruptions

- Currently implementing countermeasures for the impact on factory operation caused by delay of parts procurement.
- Implementing flexibility in logistics measures.

● Customer support of Precision Equipment Business

- Strengthening support of local workers through remote support.

● Looking toward post COVID-19

- Accelerate promotion of digital manufacturing
- Contribute to maintain social distance by realizing unmanned or remote system utilizing vision systems and robotics.
- Contribute to healthcare through cell culturing and microscope solutions.

Agile management action in response to day-to-day changes

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Medium-Term Management Plan targets

- Continue to build a foundation for growth over the mid/long-term
- Aim to achieve ROE at level higher than 8%

Business strategy

Imaging Products Business

Rebuild business with an understanding of accelerating market shrinkage. Aim to achieve early profitability

Precision equipment businesses and other

Market has been performing steadily. Aim to expand more business opportunities.

Growth areas

Promoting scale up through alliances and product launches make progress.

- Make solid progress in building a foundation for growth.

Governance

- Establish a nominating committee, chaired by an external director.
- Increase diversity among directors.

Progress and Direction for Medium-Term Management Plan : Imaging Product/Precision Equipment/Healthcare



Generate stable CF from Precision Equipment Business and Early achieve profitability of Imaging Product Business

	Imaging Products	Precision Equipment	Healthcare
Business environment	<ul style="list-style-type: none"> Market shrinkage is accelerating. 	<ul style="list-style-type: none"> FPD market has been performing steadily. Semiconductor market has been in stable growth, driven by 5G and IoT. The next big revenue opportunity is an investment for 7nm. 	<ul style="list-style-type: none"> Performing steadily over mid/long-term.
Progress	<ul style="list-style-type: none"> Difficult to achieve the goal of stably secure ¥20.0B or more operating profit, announced last year. 	<ul style="list-style-type: none"> Recently, revenue recognition postponed to next FY2021/3, yet mostly in line with plan. 	<ul style="list-style-type: none"> Steady growth in biological microscopes and fundus cameras. Obtained a license for manufacturing regenerative medicine products and established structure for mass production of contract cell manufacturing.
Direction	<ul style="list-style-type: none"> Rebuild business and aim to achieve early profitability by further restructuring. 	<ul style="list-style-type: none"> FPD lithography: Revenue growth by capturing demand for high-resolution displays. Semiconductor lithography: Growth in immersion sales, strengthen China business and expand sales in semiconductor related measuring equipment. 	<ul style="list-style-type: none"> Strengthen competitiveness of products and solutions to improve profitability. Scale up contract cell manufacturing by pursuing new customer opportunities.

Rebuild business under harsh market environment by further cost reduction and restructuring

Overall

- During Medium-Term Management Plan period, **cut ¥50.0B in business costs vs. FY2019/3.**
 - Pulled forward execution and pursued larger cuts to turn profitable in early stage, given the harsh market environment.

Development

- **Further selection of product development. Aggressively shift resources to growth areas.**
 - Continue focusing on mid and high-end models, conducting communal designing and shifting resource etc.

Sales

- **Drastically revise sales strategy, optimize sales companies. Thoroughly improve efficiencies.**
 - Thoroughly reduce sales and marketing expenses leveraging digital marketing.
 - Drastically rebuild global sales network in this fiscal year.

Production

- **Optimize site function and size**
 - Utilize sites for other businesses, such as Precision Equipment, where demand is expected.
 - Optimize the number of staff at overseas sites by about 700 people. Continue to reduce fixed costs according to the decrease of production volume.

Progress and Direction for Medium-Term Management Plan

: Digital Solutions/Industrial Metrology & Others, cost reduction



Accelerate commercialization and expansion in growth areas, leveraging synergies with alliances.

Steady execution of cost reduction

	Digital Solutions Business* ¹	Industrial Metrology & Others* ²	Cost reduction
Business environment	<ul style="list-style-type: none"> Digitalization and automation is proceeding in manufacturing industry. 	<ul style="list-style-type: none"> Although market deteriorates, demand for 3D metrology is growing in manufacturing industry. 	<ul style="list-style-type: none"> The decrease in procurement volume of parts due to COVID-19.
Progress	<ul style="list-style-type: none"> Built structure for alliances, such as with DMG MORI, and begin launch of optical processing machines to the market. Began shipment of lidar sensors to Velodyne, under contract manufacturing agreement. Receiving orders for high-precision optical components from major customers, and built a foothold toward sales expansion. 	<ul style="list-style-type: none"> Sales expansion activities to targeted customers, such as the automotive industry, proceeding as planned. Developing 3D metrology systems aiming for in-line use. 	<ul style="list-style-type: none"> Improvement of headquarter efficiency is proceeding as planned. Procurement cost reduction is affected by the decrease in procurement volume, but the results exceeded the target in the first year Aim to achieve target with new logistic reform.
Direction	<ul style="list-style-type: none"> Utilize alliances and M&A to scale up for transitioning from building a foundation to phase of achieving growth. 	<ul style="list-style-type: none"> Focus on target areas and launch products that fulfill needs. 	<ul style="list-style-type: none"> Achieve target of ¥18.0B or more, by further improvement of operation efficiency and cost reduction measures.

Digital Solutions Business: A new business unit responsible for integrating Material Processing Business and Vision System & Robotics related businesses, and accelerating scale up businesses of the growth areas, collaborating with Next Generation Project Division.

*1: Disclosed as part of the Industrial Metrology & Others segment. *2 : Digital Solutions Business is excluded

Towards Realizing growth (Overall)



Redisplaying of last year's
Medium-Term Management Plan

Central medium-term theme
Material Processing Business

3D Printers Laser processing systems
3D measurement systems Integrated optical processing machining solutions
Future process-based manufacturing systems

Areas of Long-Term Growth

Digital Manufacturing

Lidar Sports imaging business Robot vision
Robot modules Smart cameras High-performance robotics

Vision Systems /Robotics

Cell sorting Cell culture operation Drug discovery assessment applications support

Healthcare

Ophthalmological AI diagnosis Contract Cell Manufacturing

Customer/Market

Responding to issues

Customer contact points

Issues

Needs

Precision Components Business

Existing Assets

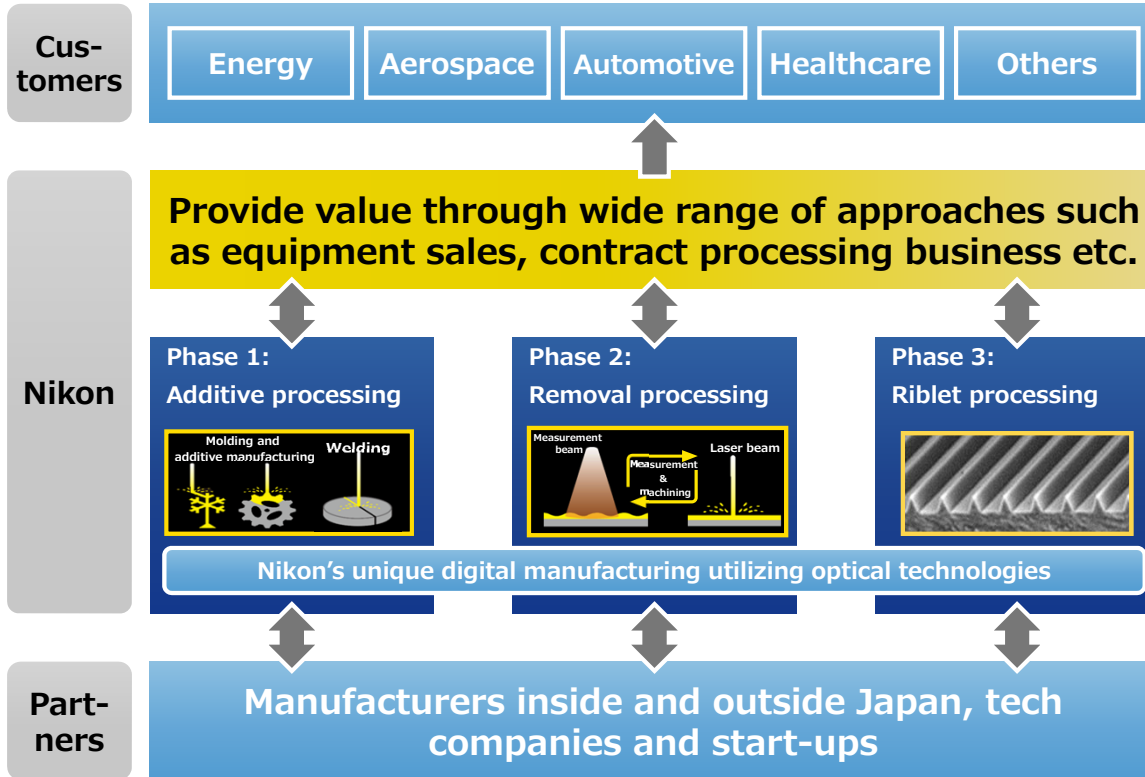
External Resources

Progress to date

- Built structure for alliances with partners.
- Launched optical processing machines into the market.
- Began collaboration with launch customers.
- Supplied non-contact 3D metrology systems to machine tool manufactures.
- Began shipments of lidar sensors as contract manufacturer.
- Launched intelligent actuator unit for robotic joint units for collaborative robot.
- Developed and began sales of embedded cameras.
- Started mass production of high precision optical components for semiconductor related equipment.
- Obtained manufacturing license for Contract Cell Manufacturing.
- Concluded contract with Heartseed to produce iPS cell-derived cardiomyocytes for clinical trials.
- Preparing to start diagnosis support with AI for retinal disease in Europe.

Material Processing Business : Commercialization of optical processing machines and related solutions in the digital manufacturing area

Material Processing Business Nikon aimed

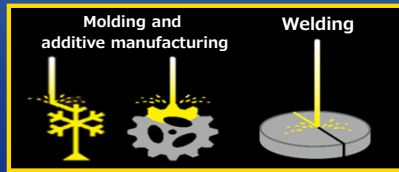


- **Substantially relieve pain points** by special processing on customers' core components.
- Propose **new value** through a wide range of processing methods according to customer needs.
- Leverage Nikon's unique processing technology utilizing optical measurement and precision control technologies.
- Realize **unique value** by enhancing component performance, replacing existing processing methods, and more.
- **Construct an ecosystem** complementing Nikon's material processing technologies.

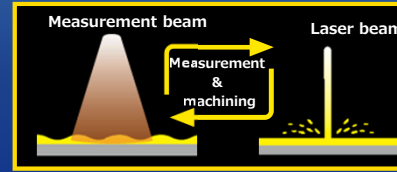
Pursue a variety of customer values through Nikon's unique material processing business



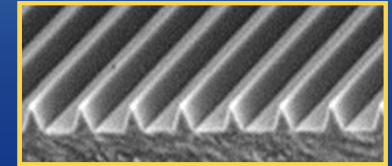
Phase 1: Additive processing



Phase 2: Removal processing



Phase 3: Riblet processing



Provide state-of-art processing solutions utilizing high precision stage control, non-contact 3D metrology and optics application technology.

Differentiation points

- 3D optical alignment
- No set up required
- Flat surface finishing using high precision measurement and feedback processing
- Riblet = forming an optimized artificial sharkskin structure (reduces fluid resistance)



Providing value to customers

- Repair dies (No replacement needed).
- Repair turbine blade (No replacement or welding needed).

Started developing applications for customer products.

- Replace metal hand scraping.
- Manufacture micromachining dies.
- Improve ultrahard tool durability and processing efficiency.

Collaborating with launch customers aiming market launch.

- Improve fuel efficiency of turbines.
- Improve efficiency of wind power generation.
- Improve fuel efficiency of aircraft and helicopters.

Started detailed studies with potential customers.
Started development of dedicated machine tools.

Contribute to reduction of environmental burden, standardization and simplification of processing technologies

Business concept for Riblet processing



Riblet processing makes the following possible:

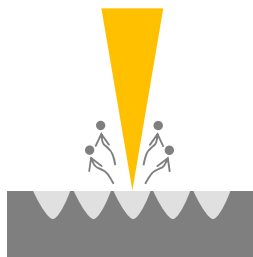
- Improve fuel efficiency of industrial equipment and reduce CO₂ in:
 - Turbines in thermal power plants
 - Wind power generation
 - Aircraft
 - Helicopters
 - and more...
- Improve performance of home appliances and electronics and reduce R&D costs

More than
¥1.0T
market



Riblet processing reduces the fluid resistance and improves energy efficiency

Leverage Nikon's strength in optics (lasers)

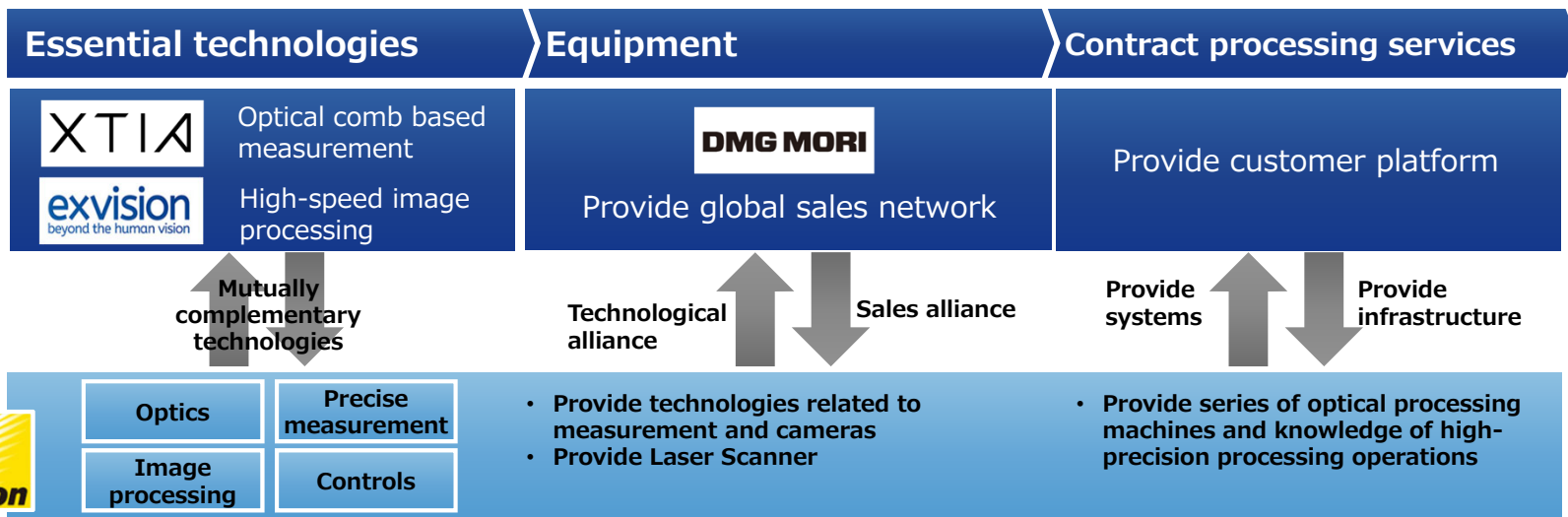


Capable of forming micron-sized riblets



Improve energy efficiency by forming suitable riblet shape to create a smooth flow on the processed surface.

Leverage alliances to advance the Material Processing Business



XTIA's Optical comb sensor



New plans in progress

+ Embedded camera for industrial tools



+ New on-machine measuring system

Laser Scanner



Lasermeister 101A



+ Additive processing machine (Phase 1)



+ Removable processing machine (Phase 2)

+ Riblet processing machine

Business expansion scenario for growth areas in mid-/long-term



FY2021/3-22/3

FY2023/3-25/3

FY2026/3 and beyond

Customer and product development

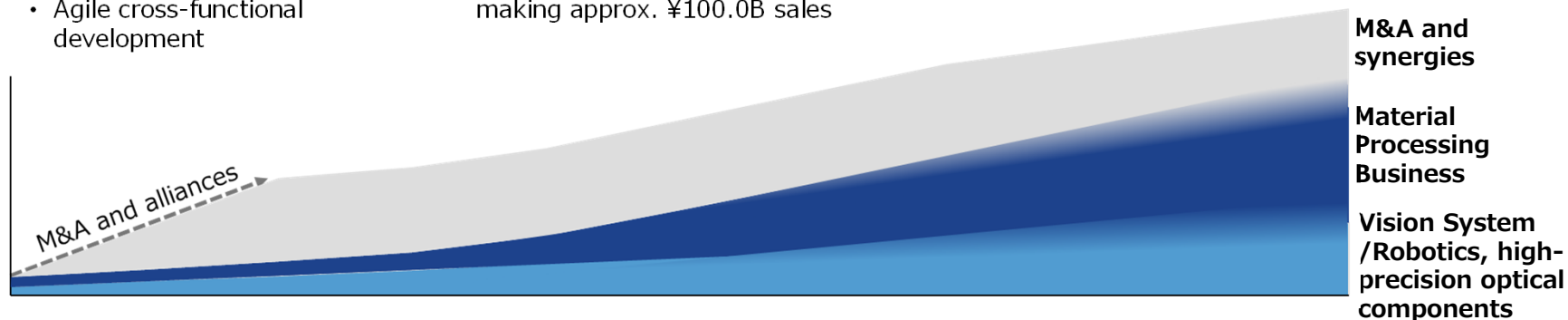
Scale up businesses

Establish new core pillars of Nikon

- Accelerate launch through M&A and alliances
- Forge partnerships with pilot customers and begin some joint projects
- Agile cross-functional development

- Deploy varieties of customer applications
- Acquire major customers in each industry to scale up
- Grow to high profit business making approx. ¥100.0B sales

- Establish whole growth areas of material processing business, Vision Systems / Robotics related businesses



Mid-/long-term capital allocation (FY2020/3 – 2024/3)



Redisplaying of last year's
Medium-Term Management Plan

**Focus resources on new fields to establish new core pillars of profit,
without emphasizing short-term FCF**

	Strategic Investments	R&D	Capital Investment	Dividend & Other	Proportion
New fields (Material processing business, areas of long-term growth)	Max 40%	10%	5%		40 to 50%
Existing fields		25%	10%		30 to 40%
Return to shareholders				10% or more Total return ratio 40% or more	10% or more
Total	40%	35%	15%	10% or more	100%

Scope: Funds on hand - working capital + 5-year cumulative operating CF (before deducting R&D)

Reference Data

Financial results for the year ended March 31, 2020



Billions of yen	FY2017/3	FY2018/3	FY2019/3			FY2020/3		
	Full year	Full year	1H	2H	Full year	1H	2H	Full year
Revenue	749.2	717.0	335.7	372.9	708.6	291.0	300.0	591.0
Operating Profit	0.7	56.2	30.6	52.0	82.6	17.5	-10.8	6.7
% vs Revenue	0.1%	7.8%	9.1%	13.9%	11.7%	6.0%	-3.6%	1.1%
Profit before income taxes	3.0	56.2	33.8	54.1	87.9	20.1	-8.3	11.8
% vs Revenue	0.4%	7.8%	10.1%	14.5%	12.4%	6.9%	-2.8%	2.0%
Profit attributable to owners of the parent	3.9	34.7	22.8	43.7	66.5	16.3	-8.7	7.6
% vs Revenue	0.5%	4.8%	6.8%	11.7%	9.4%	5.6%	-2.9%	1.3%
EPS	¥10.01	¥87.76	¥167.86			¥19.93		
Annual Dividends	¥16	¥36	¥60			¥40		
ROE	0.7%	6.3%	11.2%			1.3%		
FCF	56.6	90.2	43.5			-4.8		
Exchange Rate :								
US \$	¥108	¥111	¥110	¥112	¥111	¥109	¥109	¥109
EURO	¥119	¥130	¥130	¥127	¥128	¥121	¥120	¥121

Note: From FY2019/3, a part of sales promotion expenses is deducted from revenue, which had been booked as SG&A previously. FY2019/3 Revenue is an amount after deducting ¥8.3B.

Financial Highlights for the year ended March 31, 2020: by Segments



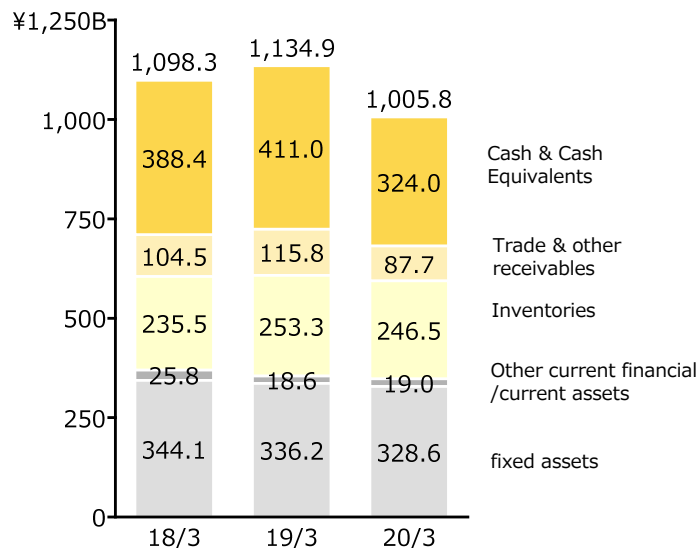
Billions of yen		FY2017/3	FY2018/3	FY2019/3			FY2020/3		
		Full year	Full year	1H	2H	Full year	1H	2H	Full year
Imaging Products Business	Revenue	383.0	360.7	150.9	145.2	296.1	119.0	106.8	225.8
	Operating Profit	17.1 (28.1)	30.2 (36.0)	13.2 (13.6)	8.8 (9.0)	22.0 (22.6)	2.0 (2.2)	-19.1 (-16.6)	-17.1 (-14.4)
Precision Equipment Business	Revenue	248.0	226.3	121.6	152.9	274.5	115.1	124.6	239.7
	Operating Profit	13.4 (48.1)	53.3 (53.3)	29.8 (29.8)	51.9 (51.9)	81.7 (81.7)	25.4 (25.4)	21.3 (21.3)	46.7 (46.7)
Healthcare Business	Revenue	55.7	56.8	29.4	36.0	65.4	30.0	32.0	62.0
	Operating Profit	-0.6 (-0.1)	-3.2 (-3.2)	-2.3 (-2.3)	0.4 (0.4)	-1.9 (-1.9)	-1.2 (-1.2)	-1.2 (-1.2)	-2.4 (-2.4)
Industrial Metrology and Others	Revenue	62.4	73.2	33.7	38.8	72.5	26.7	36.6	63.3
	Operating Profit	3.7 (5.5)	5.0 (7.8)	2.7 (3.5)	4.2 (4.0)	6.9 (7.5)	2.4 (2.4)	0.7 (0.7)	3.1 (3.1)
Corporate P/L non-attributable to any reportable segments	Revenue	—	—	—	—	—	—	—	—
	Operating Profit	-32.8 (-27.5)	-29.1 (-29.1)	-12.8 (-12.8)	-13.3 (-12.8)	-26.1 (-25.6)	-11.1 (-9.4)	-12.5 (-12.5)	-23.6 (-21.9)
Consolidated	Revenue	749.2	717.0	335.7	372.9	708.6	291.0	300.0	591.0
	Operating Profit	0.7 (54.1)	56.2 (64.9)	30.6 (31.8)	52.0 (52.6)	82.6 (84.4)	17.5 (19.4)	10.8 (-8.2)	6.7 (11.2)

Note: From FY2019/3, a part of sales promotion expenses is deducted from revenue, which had been booked as SG&A previously. FY2019/3 Revenue is an amount after deducting ¥8.3B. Figures in parentheses are the operating profit excluding the restructuring relevant expenses.

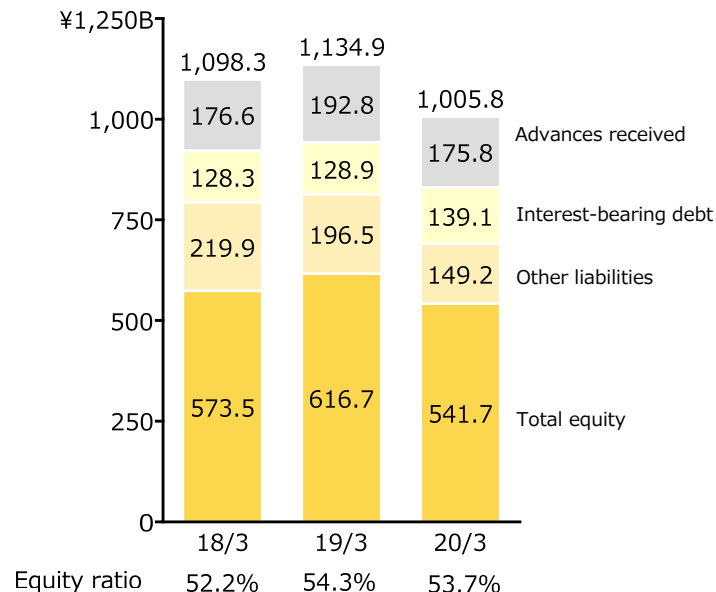
Financial Position Breakdown



ASSETS



LIABILITIES/ EQUITY



Note: A breakdown of interest-bearing debt as of March 31, 2020 is ¥29.9B in bonds and ¥109.2B in other borrowings.

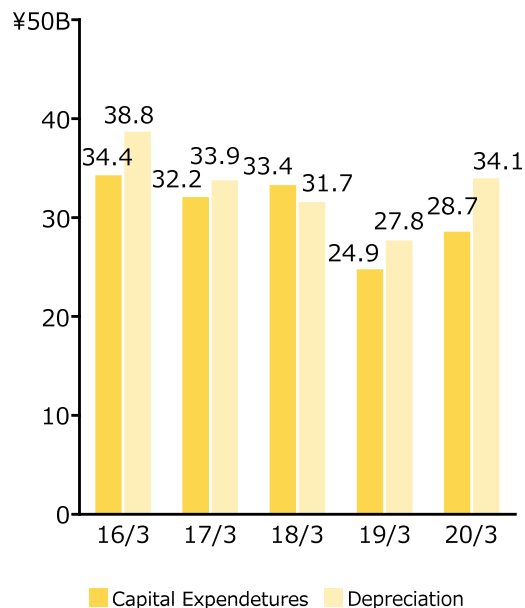
(Leases Liabilities at the beginning of FY2020/3 has increased approx. ¥17.0B upon the adoption of IFRS 16.)

Equity ratio is ratio of equity attributable to owners of the parent to total assets. Cash and Cash Equivalents excludes time deposits with maturities of three months or more.

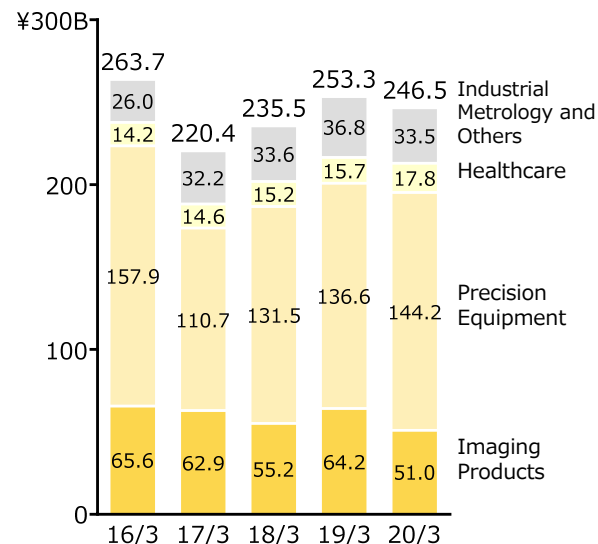
Capital Expenditures, Depreciation and Inventory



CAPITAL EXPENDITURES, DEPRECIATION



INVENTORY BREAKDOWN



Note: In FY2020/3, "CAPITAL EXPENDITURES" includes the leased assets of approx. ¥3.0B upon the adoption of IFRS16.

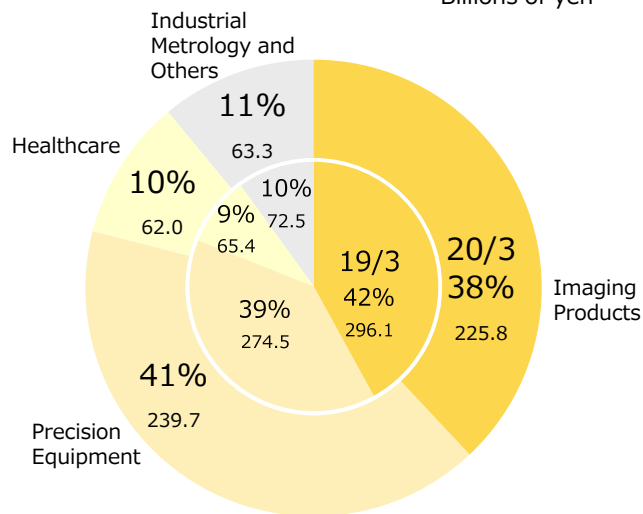
"DEPRECIATION" includes the amortization of capitalized R&D costs from the FY2018/3 and depreciation of the leased asset of approx. ¥4.0B in FY2020/3, as mentioned above.

Revenue Breakdown



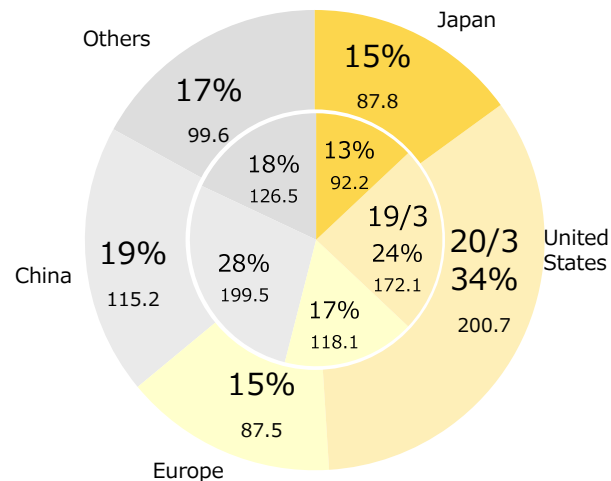
BY SEGMENT

Billions of yen



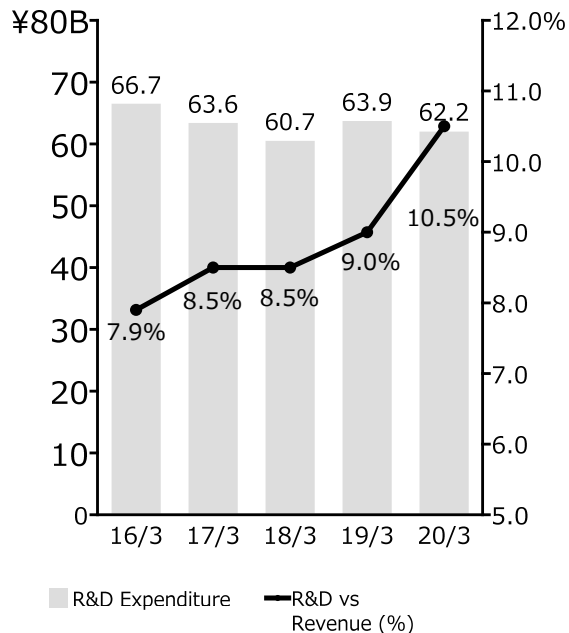
BY REGION

Billions of yen

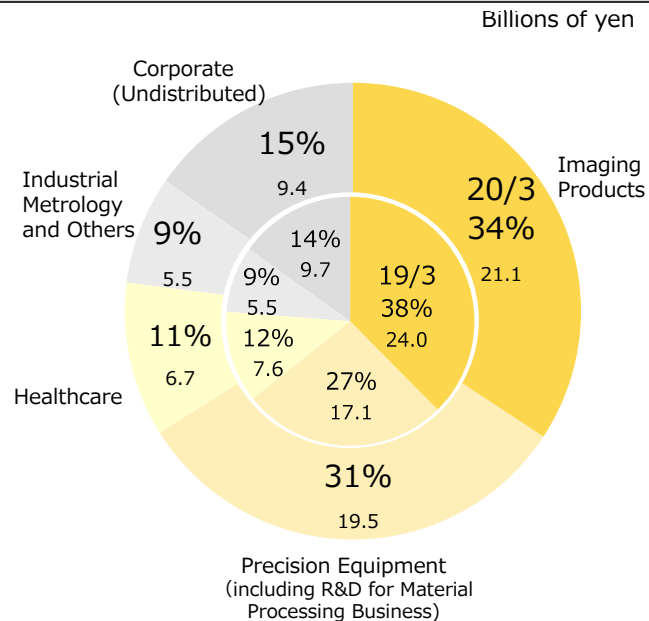


Note: The outside and inside circles show the breakdown of F2020/3 revenue of ¥591.0B and FY2019/3 revenue of ¥708.6B, respectively.

R&D EXPENDITURES

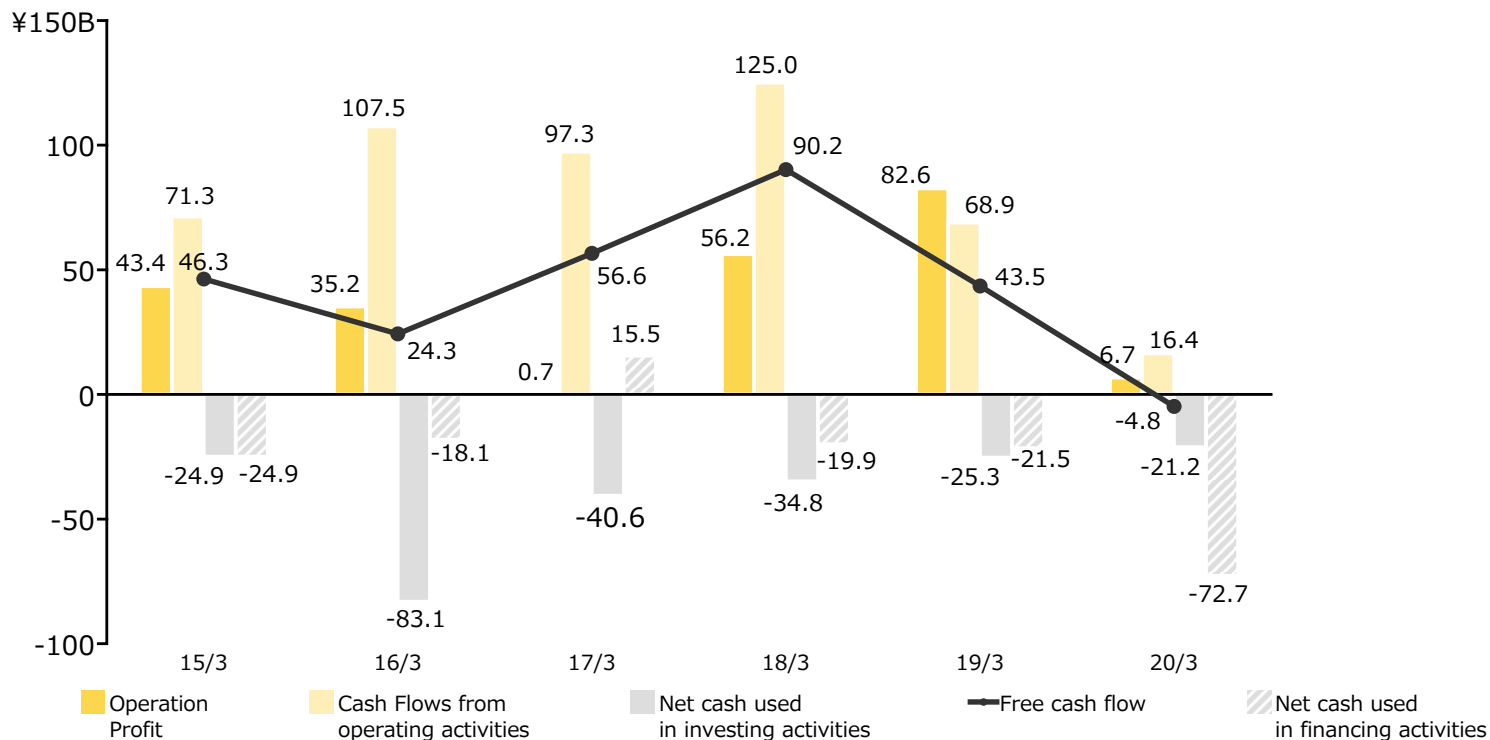


R&D EXPENDITURES BREAKDOWN



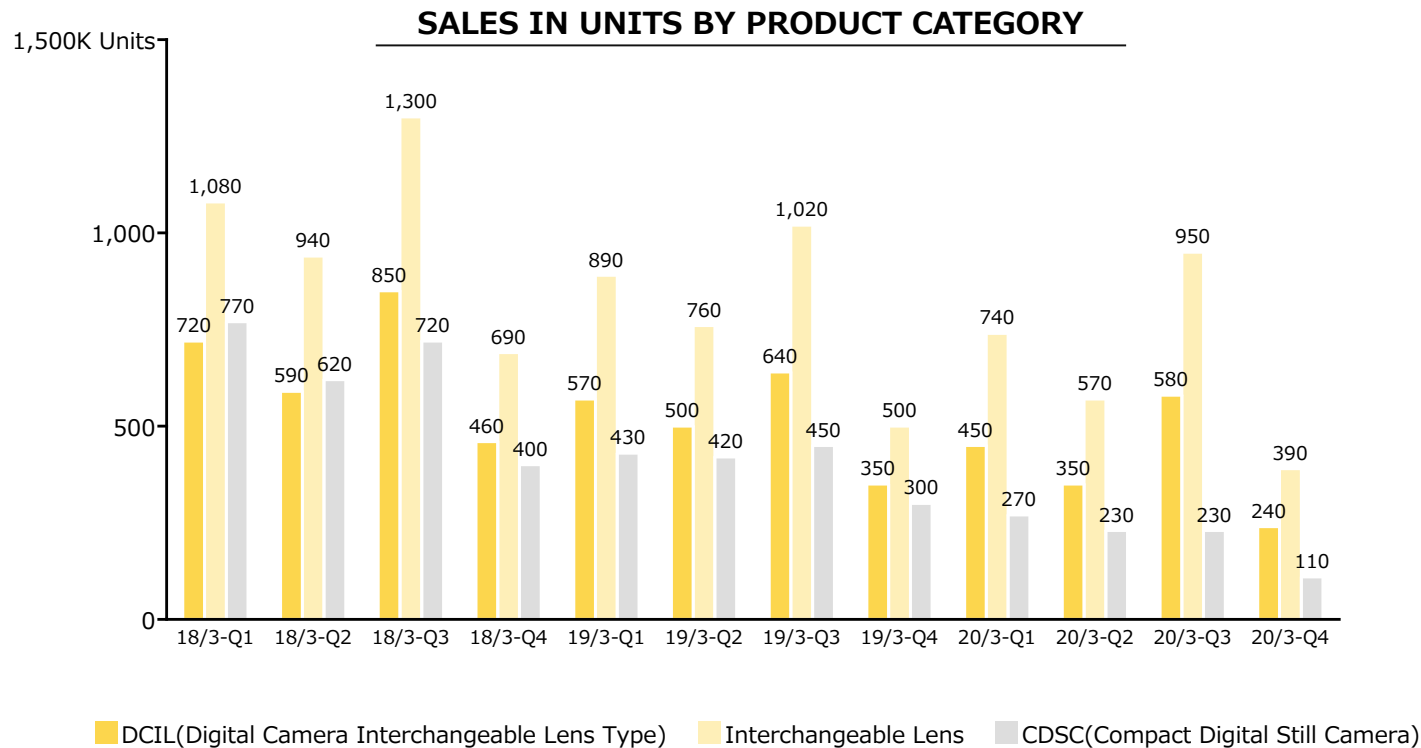
Note: R&D expenditures after FY2018/3 includes capitalization of some development expenditures.

Cash Flow History



Note: FCF (free cash flows) = CF from operating activities + CF from investing activities; Japanese Standard is employed for FY2015/3 and prior, and IFRS is adopted for FY2016/3 and after.
 FCF + CF from financial activities + Effect of exchange rate changes on cash and cash equivalents = net increase (decrease) in cash and cash equivalents

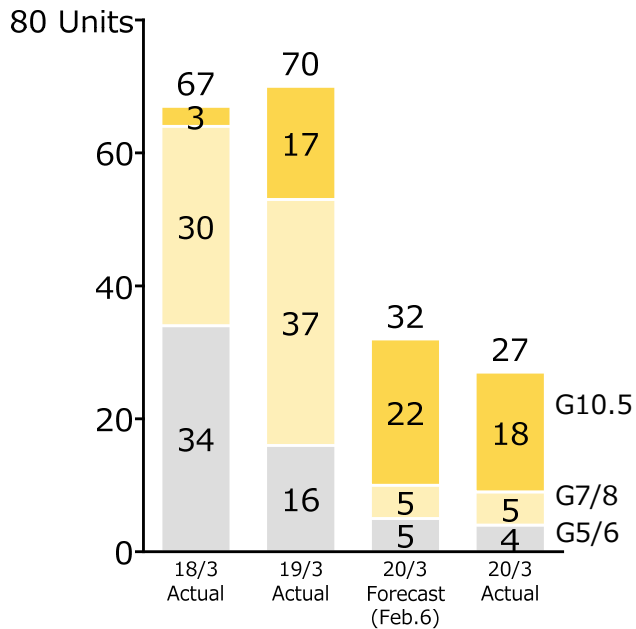
Imaging Products Business: Sales Units



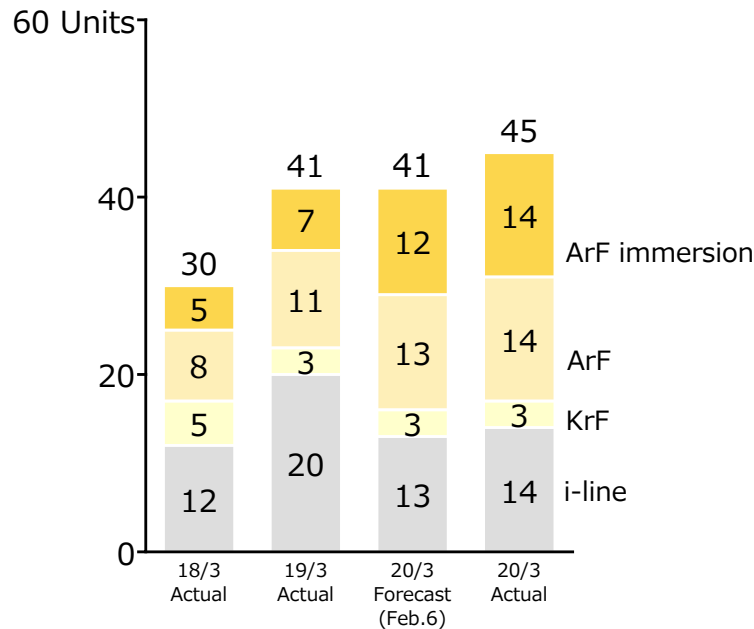
Precision Equipment Business Sales Units



FPD LITHOGRAPHY SYSTEMS SALES BY GENERATION



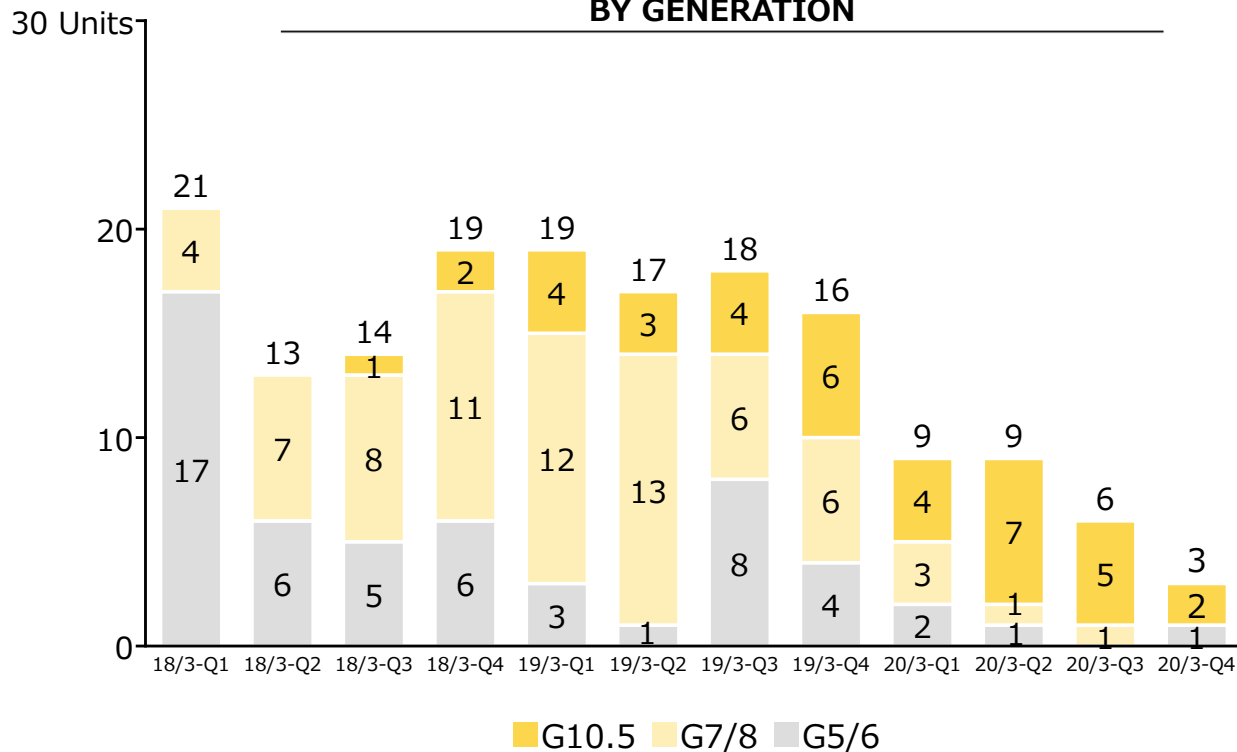
SEMICONDUCTOR LITHOGRAPHY SYSTEMS SALES BY TECHNOLOGY (INCL. REFURBISHED)



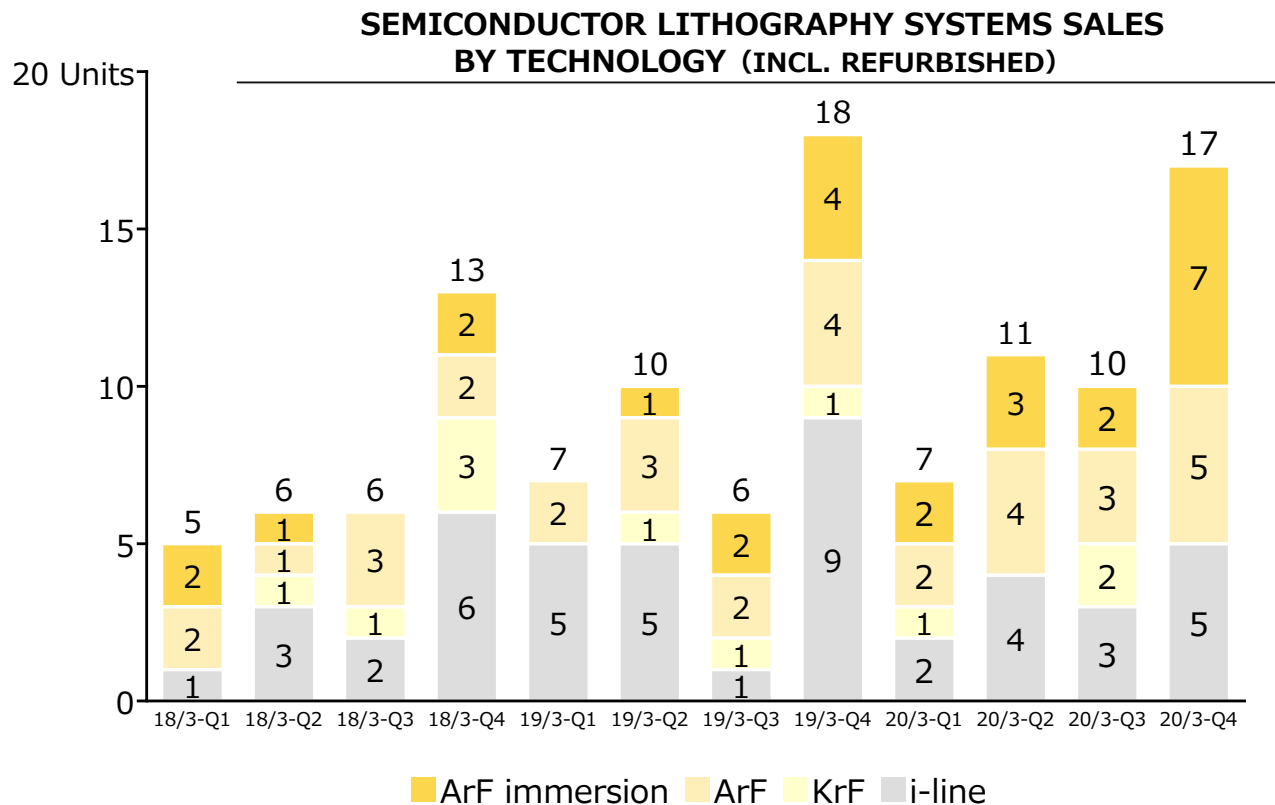
Note: The unit sales of new semiconductor lithography systems is 17 units in FY2018/3, 21 units in FY2019/3 and 34 units (forecast) in FY2020/3.



FPD LITHOGRAPHY SYSTEMS SALES BY GENERATION



Precision Equipment Business: Sales Units



Disclaimer Regarding Forecast and Projections



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.

