



# Financial Results for the year ended March 31, 2022

May 12, 2022

NIKON CORPORATION

1. Financial Results of the year ended March 31, 2022

2. Forecast for the year ending March 31, 2023

# Summary for the year ended March 31, 2022



**Revenue**  
**¥539.6B**

- **YoY : Up ¥88.4B (Down ¥10.4B vs. previous forecast)**

- Revenue increased in all segments.
- In Imaging Products Business, sales grew mainly in expanded lineup of mirrorless cameras and interchangeable lenses.
- In Precision Equipment Business, topline grew on increased sales volumes of FPD lithography systems and service revenue.
- In Components Business, sales grew in semiconductor related components and encoders for industrial robots etc.
- In Healthcare and Industrial Metrology and Others, topline grew on powerful market recovery from COVID-19.

**Operating Profit**  
**¥49.9B**

- **YoY : Up ¥106.1B (Up ¥2.9B vs. previous forecast)**

- Achieved a significant increase in profit and became profitable in all segments.
- Profitability improved thanks to lower breakeven point reached on measures implemented of restructuring, and impairment losses of fixed assets in the previous year.
- Profits up substantially by the disappearance of one-time costs in FY2021/3, booking of capital gains from the unused land and foreign exchange impact, etc.

**Profit attributable to owners of the parent**  
**¥42.6B**

- **YoY : Up ¥77.0B (Up ¥3.6B vs. previous forecast)**

Note: In the FY2021/3, ¥55.6B of one-time costs was posted as restructuring relevant expenses, impairment losses of fixed assets, disposal and write-down of inventory. Amounts in this presentation material are rounded down to the hundred millions of yen, previous forecast is the forecast as of Feb. 3, 2022.

# Financial Results for the year ended March 31, 2022: Highlights



Billions of yen	FY2021/3 Actual (A)	Previous Forecast (Feb.3) (B)	FY2022/3 Actual (C)	Change (C)-(A)	Change (C)-(B)	FY2020/3 Actual
Revenue	451.2	550.0	<b>539.6</b>	+88.4	-10.4	591.0
Operating Profit	-56.2	47.0	<b>49.9</b>	+106.1	+2.9	6.7
% vs Revenue	-12.5%	8.5%	<b>9.3%</b>			1.1%
Profit before income taxes	-45.3	53.0	<b>57.0</b>	+102.3	+4.0	11.8
% vs Revenue	-10.0%	9.6%	<b>10.6%</b>			2.0%
Profit attributable to owners of the parent	-34.4	39.0	<b>42.6</b>	+77.0	+3.6	7.6
% vs Revenue	-7.6%	7.1%	<b>7.9%</b>			1.3%
FCF	22.9	-	<b>30.9</b>	+8.0	-	-4.8
Annual Dividends	¥20	¥40	<b>¥40</b>	+¥20	±0	¥40
Exchange Rate: US\$	¥106	¥112	<b>¥112</b>	Impact on revenue		¥109
				+19.5	+0.7	
EURO	¥124	¥130	<b>¥131</b>	Impact on operating profit		¥121
				+6.3	+0.3	

Revenue and OP improved substantially vs. FY2021/3.  
Compared to FY2020/3, profit at each level grew substantially despite decreased revenue.

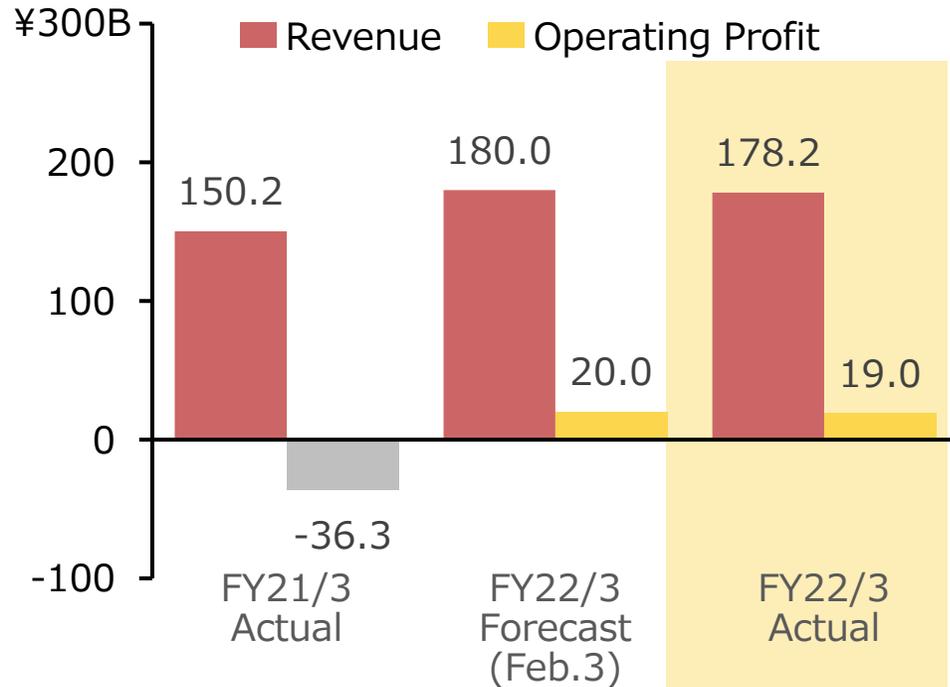
# Financial Results for the year ended March 31, 2022:by Segments



	Billions of Yen	FY2021/3 Actual (A)	Previous Forecast (Feb.3) (B)	FY2022/3 Actual (C)	Change (C)-(A)	Change (C)-(B)
Imaging Products Business	Revenue	150.2	180.0	<b>178.2</b>	+18.7%	-1.0%
	Operating profit	-36.3	20.0	<b>19.0</b>	+¥55.3B	-¥1.0B
Precision Equipment Business	Revenue	184.7	220.0	<b>211.2</b>	+14.3%	-4.0%
	Operating profit	-0.6	25.5	<b>27.7</b>	+¥28.3B	+¥2.2B
Healthcare Business	Revenue	62.8	73.0	<b>73.2</b>	+16.5%	+0.3%
	Operating profit	-3.0	3.5	<b>4.3</b>	+¥7.3B	+¥0.8B
Components Business	Revenue	25.7	42.0	<b>40.8</b>	+58.5%	-2.7%
	Operating profit	0.1	12.5	<b>12.7</b>	+¥12.6B	+¥0.2B
Industrial Metrology and Others	Revenue	27.6	35.0	<b>36.0</b>	+30.6%	+3.0%
	Operating profit	-1.2	1.5	<b>2.9</b>	+¥4.1B	+¥1.4B
Corporate P/L non-attributable to any reportable segments	Operating profit	-15.0	-16.0	<b>-16.9</b>	-¥1.9B	-¥0.9B
Consolidated	Revenue	451.2	550.0	<b>539.6</b>	+19.6%	-1.9%
	Operating profit	-56.2	47.0	<b>49.9</b>	+¥106.1B	+¥2.9B

Note: In April 2021, some production subsidiaries related to the Imaging Products Business, Precision Equipment Business, and Components Business were transferred to Industrial Metrology and Others, and retroactively applied to the FY2021/3.

# Results for the year ended March 31, 2022: Imaging Products Business



## • Revenue: Up ¥28.0B YoY

Down ¥1.8B vs. previous forecast

- Market weak on shortages in semiconductors and other parts.
- Sales volumes down in DCIL (mainly DSLR) on parts procurement restrictions.
- Grew mirrorless sales to pro/hobbyists. Flagship model Z 9 and interchangeable lenses enjoyed strong reviews and sold well.
- Revenue up 19% YoY on foreign exchange impact and increased ASP driven by the shift to models for pro/hobbyists.

## • Operating Profit: Up ¥55.3B YoY

Down ¥1.0B vs. previous forecast

- Completed executing main restructuring efforts.
- OP margin reached double digits on restructuring effects and increased ASP.
- Operating profit up substantially YoY by disappearing ¥23.7B of one-time costs such as impairment losses of fixed assets and disposal and write-down of inventory of previous year.

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

Market Scale	5,520	5,200	5,120
Nikon	840	700	700

### Interchangeable Lens (units:1,000)

Market Scale	9,110	9,200	9,390
Nikon	1,350	1,300	1,270

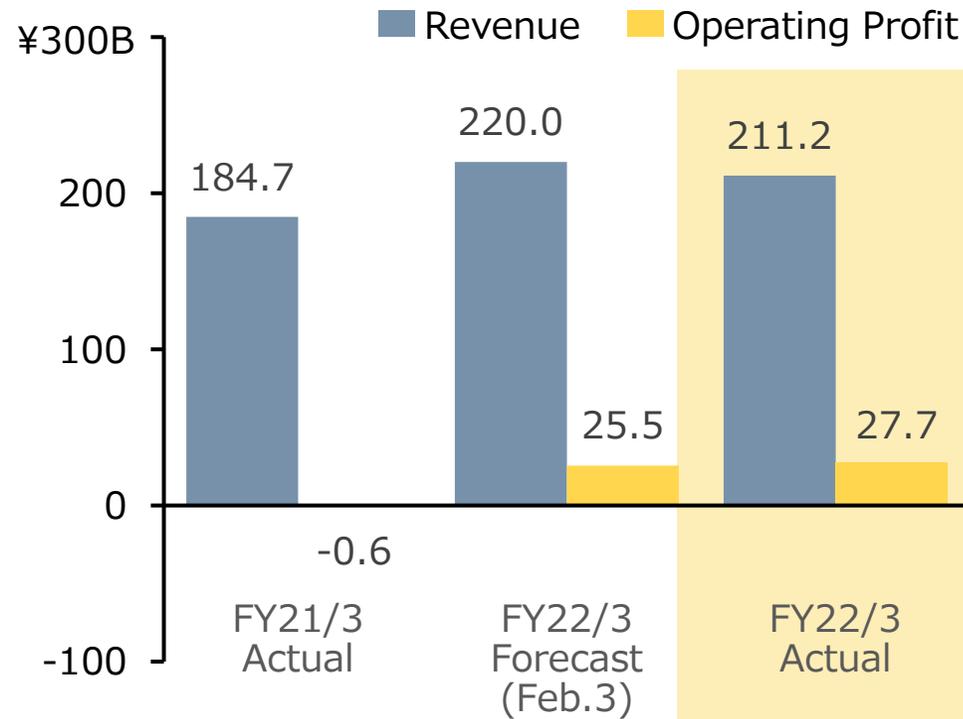
### Digital camera with integrated lens (units:1,000)

Market Scale	3,430	2,850	2,720
Nikon	260	200	190

Note: In April 2021, some production subsidiaries related to the Imaging Products Business, Precision Equipment Business, and Components Business were transferred to Industrial Metrology and Others, and retroactively applied to the FY2021/3.

Digital camera with integrated lens : A camera equipped with uncatchable lens and do not have the function to replace lenses. (Eligible products of Nikon: COOLPIX P1000, P950, etc.)

# Results for the year ended March 31, 2022: Precision Equipment Business



## • Revenue: Up ¥26.5B YoY

**Down ¥8.8B vs. previous forecast**

- Sales units of FPD lithography systems increased as installations delayed by COVID-19 travel restrictions resumed.
- Revenue grew on strength in service business driven by high utilization of install base at customers, thanks to vibrant market.
- Revenue down vs. previous forecast. Completion of installations of semiconductor lithography systems was pushed into the following fiscal year due to supply chain disruptions and travel restrictions resulting from COVID-19.

## • Operating profit: Up ¥28.3B YoY

**Up ¥2.2B vs. previous forecast**

- Operating profit up substantially YoY by disappearing ¥21.6B of one-time costs such as impairment losses of fixed assets and disposal and write-down of inventory of previous year.
- Operating profit up vs. previous forecast on improvements to service earnings.

### FPD Lithography Systems (units)

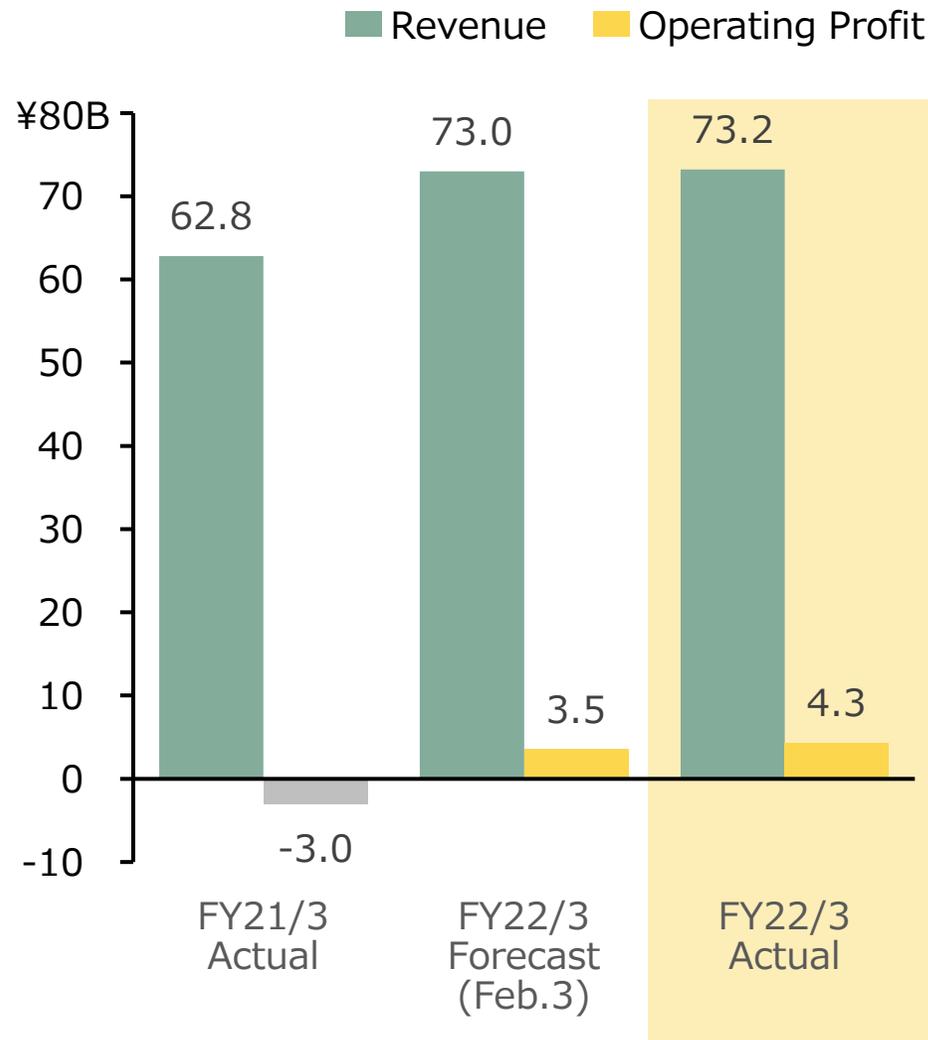
Market Scale (CY19/20)	52	120	116
Nikon	29	46	46

### Semiconductor Lithography Systems (New/Refurbished, units)

Market Scale (CY19/20)	330	370	370
Nikon	16/11	12/20	9/18

Note: In April 2021, some production subsidiaries related to the Imaging Products Business, Precision Equipment Business, and Components Business were transferred to Industrial Metrology and Others, and retroactively applied to the FY2021/3.

# Results for the year ended March 31, 2022: Healthcare Business



## • Revenue: Up ¥10.4B YoY

Up ¥0.2B vs. previous forecast

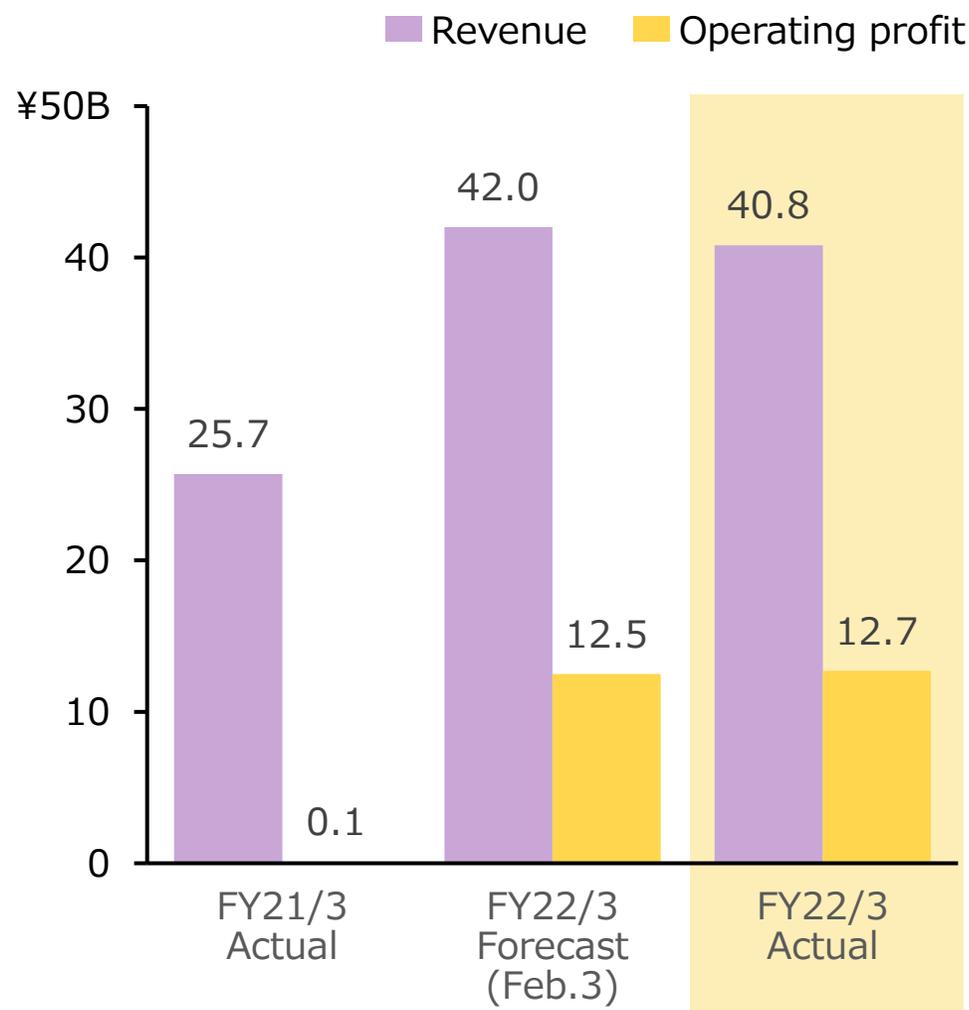
- Biological microscope revenue up mainly in the West driven by new products.
- Retinal diagnostic imaging systems revenue up on strength mainly in North America.
- Record-high revenue in all three subsegments of biological microscopes, retinal diagnostic imaging systems, and Contract Cell Manufacturing.

## • Operating Profit: Up ¥7.3B YoY

Up ¥0.8B vs. previous forecast

- Operating profit grew substantially on increased revenue and the disappearance of ¥2.5B in impairment losses of fixed assets booked in the previous year.

# Results for the year ended March 31, 2022: Components Business



- **Revenue: Up ¥15.1B YoY**

**Down ¥1.2B vs. previous forecast**

- Revenue grew in EUV related components, optical parts for semiconductor related products, optical components, encoders for industrial robot and photomask substrates for FPD, etc.

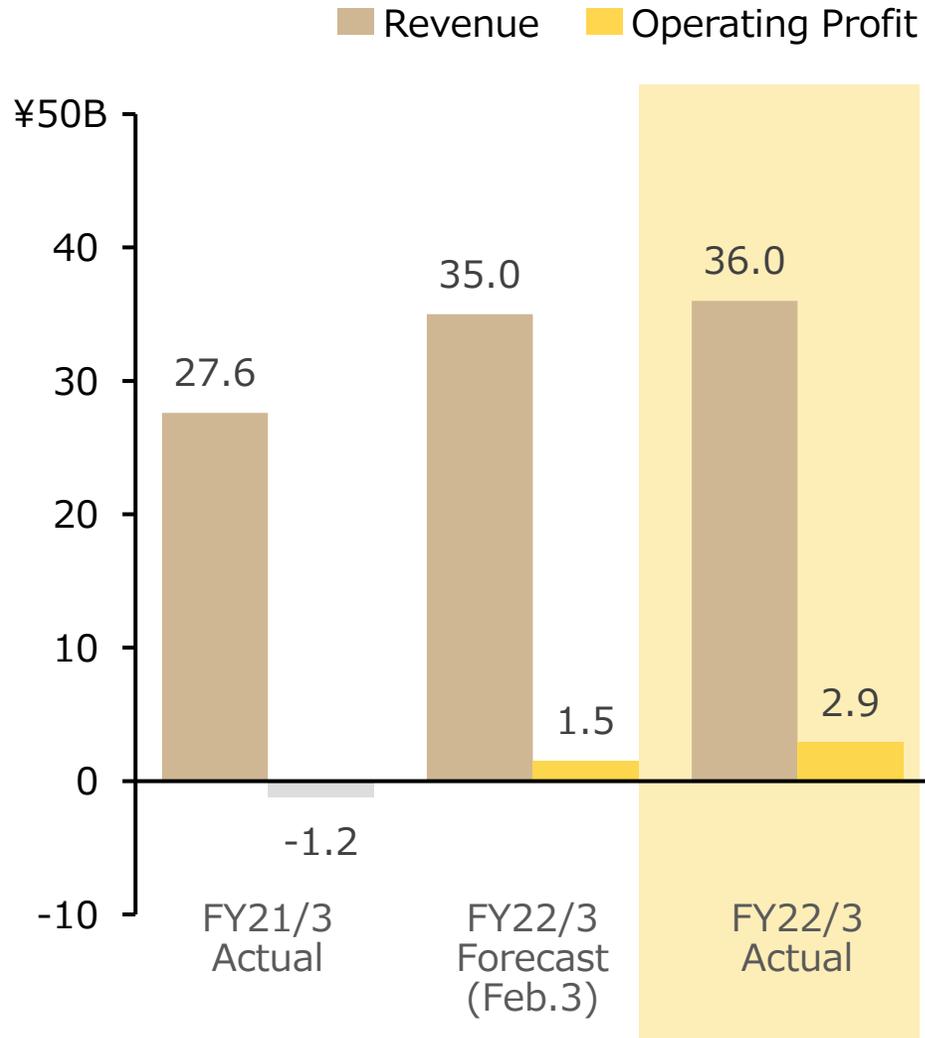
- **Operating profit: Up ¥12.6B YoY**

**Up ¥0.2B vs. previous forecast**

- Operating profit grew substantially on topline growth.

Note: In April 2021, some production subsidiaries related to the Imaging Products Business, Precision Equipment Business, and Components Business were transferred to Industrial Metrology and Others, and retroactively applied to the FY2021/3.

# Results for the year ended March 31, 2022: Industrial Metrology and Others



- **Revenue: Up ¥8.4B YoY**

**Up ¥1.0B vs. previous forecast**

- In the Industrial Metrology Business, revenue grew on increased sales of industrial microscopes, image metrology systems, X-ray inspection systems and non-contact metrology systems.

- **Operating Profit: Up ¥4.1B YoY**

**Up ¥1.4B vs. previous forecast**

- In the Industrial Metrology Business, operating profit grew substantially on topline growth.
- Domestic production subsidiaries included under Other shed ¥4.6B in one-time costs (impairments related to the Imaging Products Business and restructuring expenses, etc.) booked in the previous year.

Note: In April 2021, some production subsidiaries related to the Imaging Products Business, Precision Equipment Business, and Components Business were transferred to Industrial Metrology and Others, and retroactively applied to the FY2021/3.

1. Financial Results of the year ended March 31, 2022

2. Forecast for the year ending March 31, 2023

# Forecasts for the year ending March 31, 2023



**Revenue**  
**¥620.0B**

- **Company total forecast: Up ¥80.4B YoY**

- Recover to the revenue scale of ¥600.0B+. Forecast to increase revenue in all segments
- **Imaging Products:** Increase revenue ¥31.8B on increased sales of mirrorless bodies and lenses, and foreign exchange impact, etc.
- **Precision Equipment:** Increase revenue ¥28.8B on increased sales of semiconductor lithography systems.
- **Healthcare:** Increase revenue ¥6.8B mainly on increased sales of biological microscopes and foreign exchange impact, etc.
- **Components:** Increase revenue ¥12.2B on increased sales of semiconductor related components, etc.

**Operating Profit**  
**¥50.0B**

- **Company total forecast: Forecasts the same level as the previous year**

- Operating profit expected to grow in all segments except Precision Equipment.
- In the Precision Equipment Business, operating profit to decline on decreased sales of FPD lithography systems and lower service revenue.
- Corporate P/L non-attributable to any reportable segments to see costs increase on measures to strengthen the management base and the disappearance of one-time gains in the previous fiscal year.

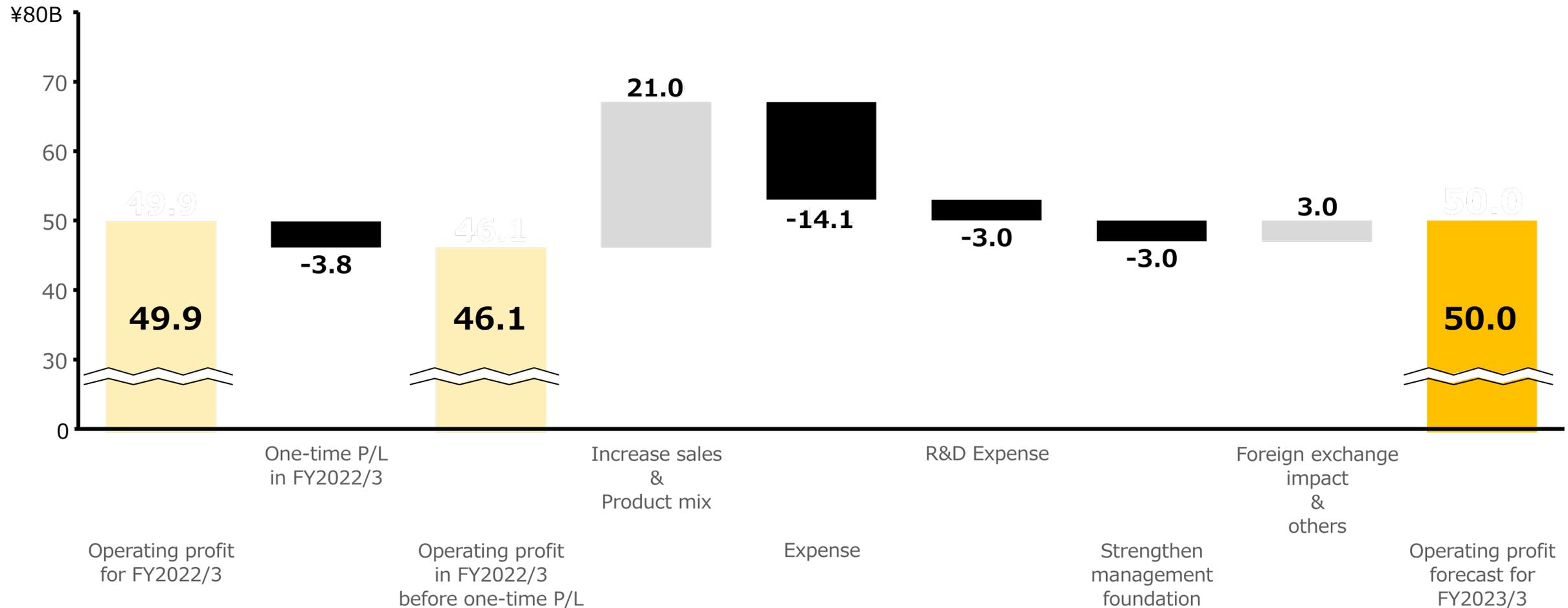
**Profit attributable to owners of the parent**  
**¥38.0B**

- **Company total forecast: Down ¥4.6B YoY**

**Exchange rate**

- **US\$: ¥120, EURO: ¥130**

# Forecast for the year ending March 31, 2023: Operating Profit – Major Changes from the previous year



Forecasting operating profit growth vs. ¥46.1B OP before one-time P/L in FY2022/3

\*FY2022/3 one-time P/L: ¥3.0B in capital gains from sale of land and building, ¥1.3B from US pension fund, and -¥0.5B from impairment losses of fixed assets.

\*US pension fund: Posted one-time profit in FY2022/3 due to changes in pension system at US subsidiary.

## Shareholder Returns Policy

- Total shareholder return ratio of 40% or more
- Stable dividends and opportunistic share buybacks

## Dividend

- FY2023/3 plan : ¥40 annual dividend , interim dividend ¥20

## FY2023/3 Share Buyback

- Buyback amount : Up to ¥30.0B
- Number of shares : Up to 36M shares
- Repurchase period : From May 13, 2022 to March 24, 2023
- Cancellation of Treasury Stock : 5M shares out of 10.5M shares of treasury stock held as of March 31, 2022 and all the shares of common stock to be purchased in accordance with the above buyback.

# Forecast for the year ending March 31, 2023: Financial Highlights



Billions of Yen	FY2022/3 Actual (A)	FY2023/3 Forecast (B)	Change (B)-(A)
Revenue	539.6	<b>620.0</b>	+80.4
Operating Profit	49.9	<b>50.0</b>	+0.1
% vs Revenue	9.3%	<b>8.1%</b>	
Profit before income taxes	57.0	<b>52.0</b>	-5.0
% vs Revenue	10.6%	<b>8.4%</b>	
Profit attributable to owners of the parent	42.6	<b>38.0</b>	-4.6
% vs Revenue	7.9%	<b>6.1%</b>	
EPS	¥116.23	<b>¥103.47</b>	-¥12.76
Annual Dividends	¥40	<b>¥40</b>	±0
Exchange Rate: US\$	¥112	<b>¥120</b>	Impact on revenue +16.4
EURO	¥131	<b>¥130</b>	Impact on operating profit +3.2

Note: EPS (Basic Earning per Share) = Profit attributable to owner of the parent / Average number of shares during the term

Approx. 0.367B shares, an average over the number of shares at the end of FY2022/3, also approx. 0.367B, and the expected number of shares at the end of FY2023/3.

# Revision of Business Segments



<u>Segment</u>	<u>Business Unit (BU)</u>
Imaging Products Business	Imaging BU
Precision Equipment Business	FPD Lithography BU
	Semiconductor Lithography BU
Healthcare Business	Healthcare BU
Components Business	Digital Solutions BU
	Customized Products BU
	Glass BU
Industrial Metrology and Others	Industrial Metrology BU
	others
Corporate P/L non-attributable to any reportable segments	Headquarters division of the parent company

**Next Generation Project Div.**

In April 2022, "Next Generation Project Div." was transferred from Precision Equipment Business to Corporate P/L non-attributable to any reportable segments.

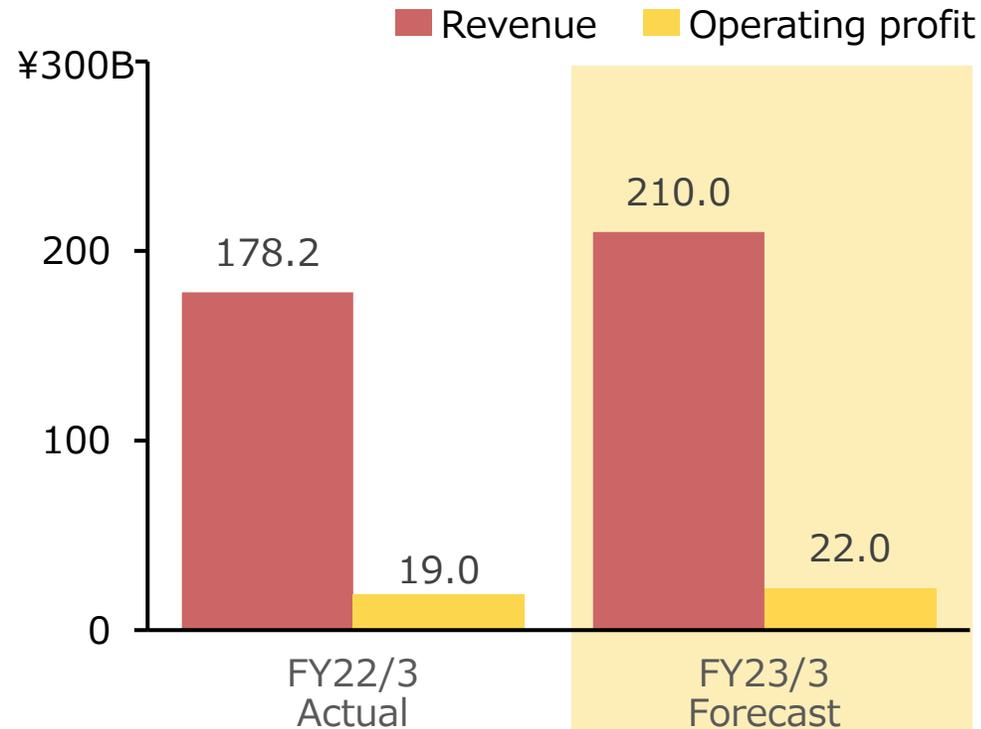
# Forecast for the year ending March 31, 2023: Financial Highlights by Segments (New Segments)



		FY2022/3 Actual (A)	FY2023/3 Forecast (B)	Change (B)-(A)
Billions of Yen				
Imaging Products Business	Revenue	178.2	210.0	+17.8%
	Operating profit	19.0	22.0	+¥3.0B
Precision Equipment Business	Revenue	211.2	240.0	+13.6%
	Operating profit	39.4	35.0	-¥4.4B
Healthcare Business	Revenue	73.2	80.0	+9.2%
	Operating profit	4.3	6.0	+¥1.7B
Components Business	Revenue	40.8	53.0	+29.7%
	Operating profit	12.7	17.0	+¥4.3B
Industrial Metrology and Others	Revenue	36.0	37.0	+2.6%
	Operating profit	2.9	4.0	+¥1.1B
Corporate P/L non-attributable to any reportable segments	Operating profit	-28.6	-34.0	-¥5.4B
Consolidated	Revenue	539.6	620.0	+14.9%
	Operating profit	49.9	50.0	+¥0.1B

Note: In FY2023/3, "Next Generation Project Div." transfers from Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to the FY2022/3 and reorganized ¥11.7B for the FY2022/3.

# Forecast for the year ending March 31, 2023: Imaging Products Business



## • Revenue: Up ¥31.8B YoY

- Prolonged product supply constraints (at competitors, too). Market volumes flat YoY.
- Our sales volumes flat YoY due to parts procurement constraints.
- Market for pro/hobbyists has been performing well. Aim to grow revenue mainly in mirrorless cameras and interchangeable lenses continuing to advance shift to mid/high-end models.

## • Operating profit: Up ¥3.0B YoY

- Operating profit growth driven by increasing sales of mid/high-end cameras and increasing ASP.
- Expect to increase expenses such as development to maintain or improve product competitiveness.

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

Market Scale	5,120	5,100
Nikon	700	700

### Interchangeable lenses (units:1,000)

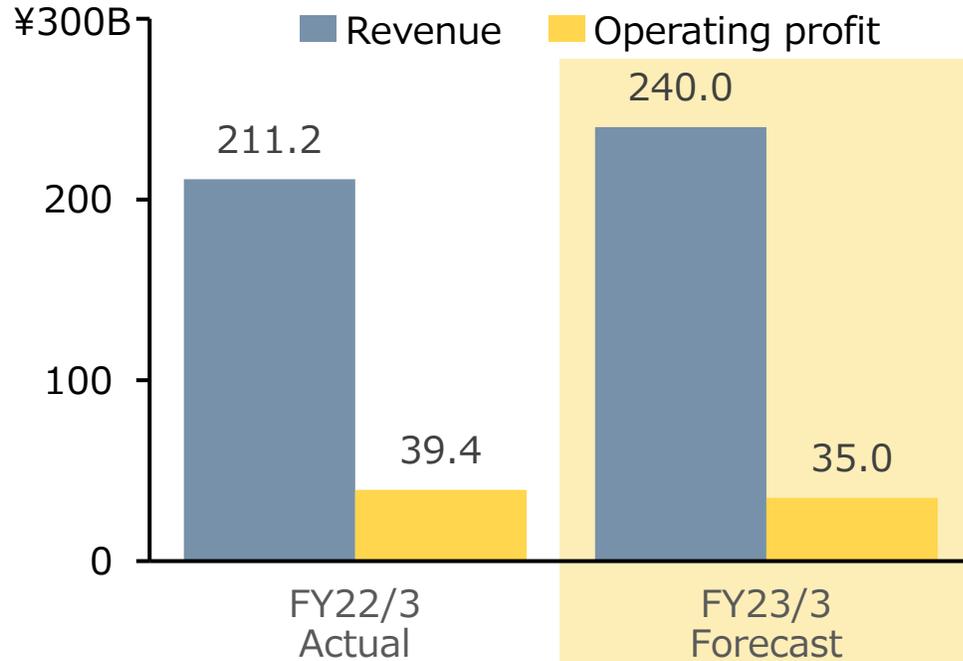
Market Scale	9,390	9,400
Nikon	1,270	1,250

### Digital camera with integrated lens(units:1,000)

Market Scale	2,720	2,200
Nikon	190	100

Note: Digital camera with integrated lens : A camera equipped with uncatchable lens and do not have the function to replace lenses. (Eligible products of Nikon: COOLPIX P1000, P950, etc.)

# Forecast for the year ending March 31, 2023: Precision Equipment Business



## FPD Lithography Systems (units)

	FY22/3 Actual	FY23/3 Forecast
Market Scale (CY20/21)	116	95
Nikon	46	31

## Semiconductor Lithography Systems (New/Refurbished, units)

	FY22/3 Actual	FY23/3 Forecast
Market Scale (CY20/21)	390	460
Nikon	17/18	39/22

### • Revenue: Up ¥28.8B YoY

- In FPD lithography business, revenue to decline on large impact from decreasing units in lithography systems.
- In semiconductor lithography business, revenue to grow on increasing units of new systems (mainly ArF) due to strong investment mainly from customers.
- Service business strength to continue, but revenue will decline compared to last year's which included transient.

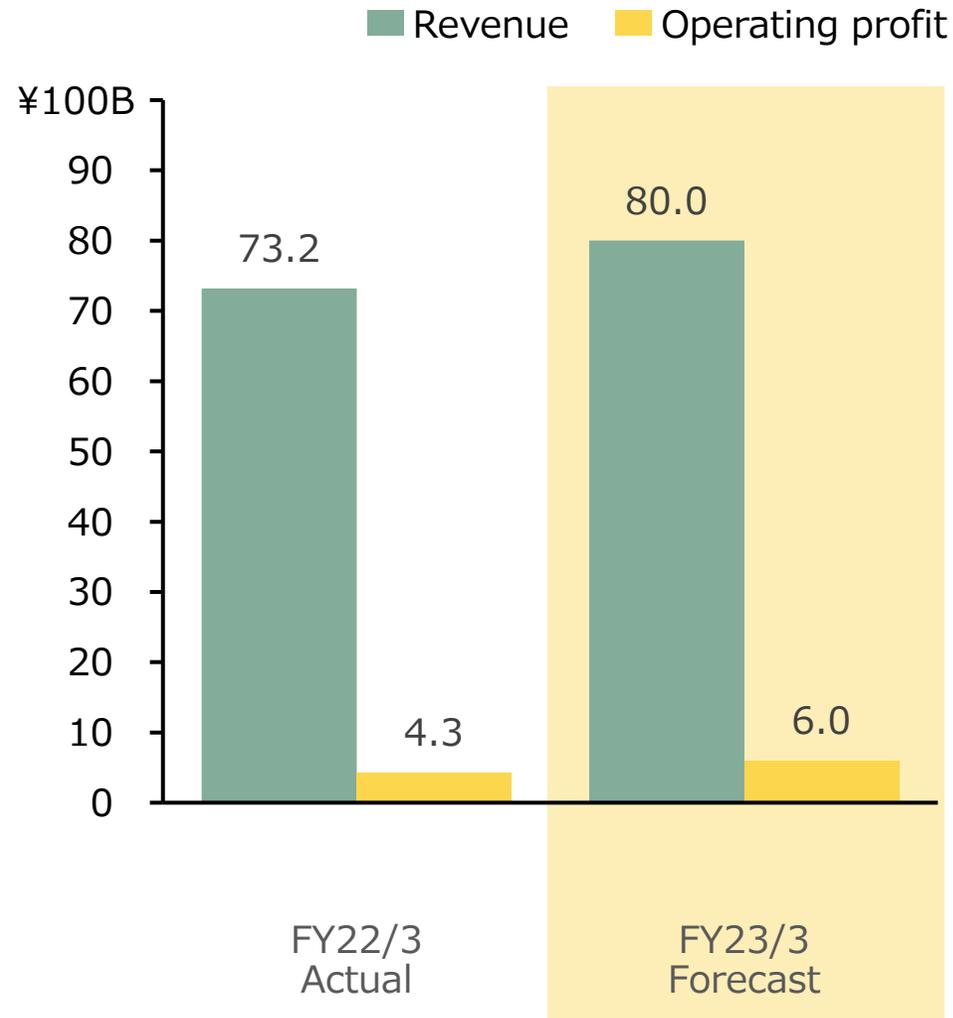
### • Operating profit: Down ¥4.4B YoY

- In semiconductor lithography business, operating profit to increase as increasing sales volumes of new and refurbished systems compensate for decrease in profit of the service business.
- Operating profit growth in semiconductor lithography business to cover part of decline in profit from decreased sales volumes of FPD lithography systems.

Note: In the FY2023/3, "Next Generation Project Div." transfers from Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to the FY2022/3. ¥11.7B of recombinant will be planned in the FY2022/3.

Both "Market Scale" and sales units of Nikon in the number of semiconductor lithography systems for the FY2023/3 includes submicron exposure equipment for the non-miniaturization region including i-line systems. (Numbers of this part for the FY2022/3 are also shown as the new unit recording basis.)

# Forecast for the year ending March 31, 2023: Healthcare Business



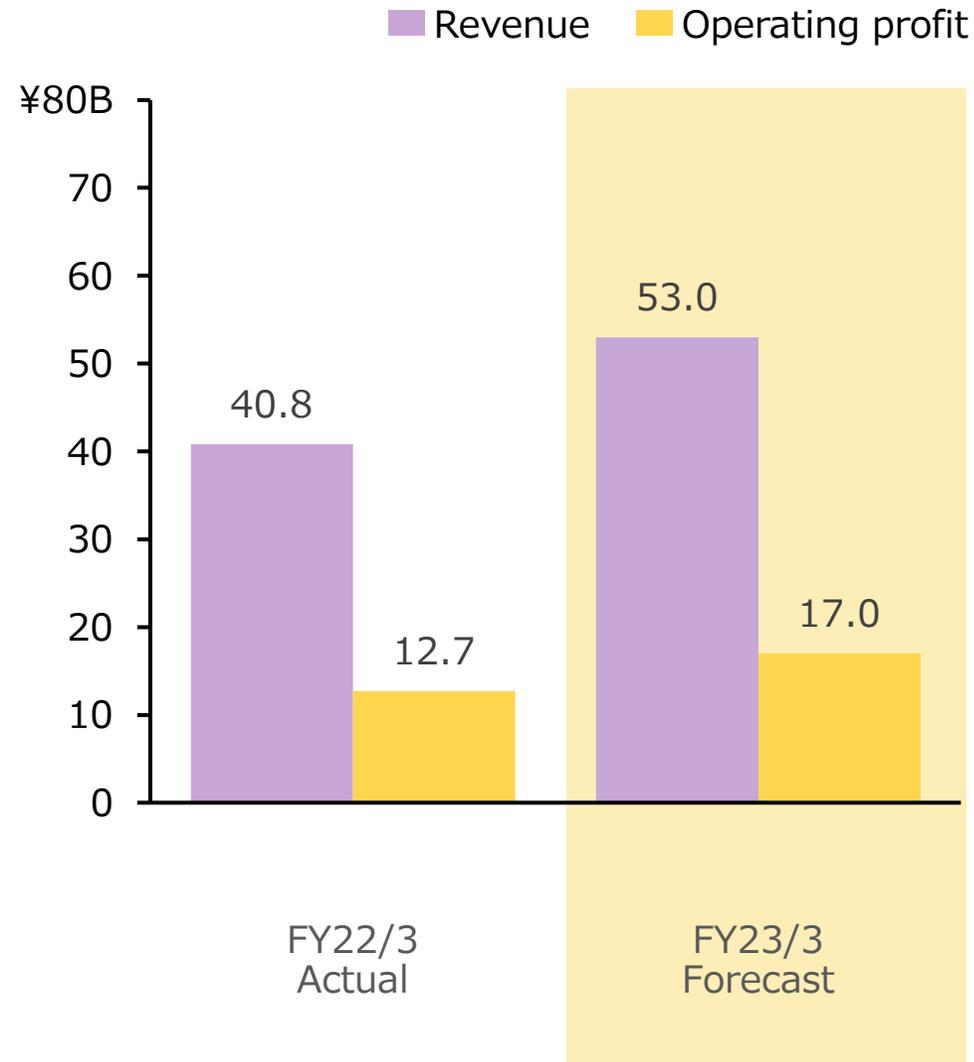
## • Revenue: Up ¥6.8B YoY

- Expect another record-high year in revenue.
- Biological microscopes revenue to grow on expanded sales of new products mainly in North America and revenue growth from developing private sector markets.
- Retinal diagnostic imaging systems revenue to remain almost flat due to expanded sales in Europe and Asia, although revenue in North America to decline in reaction to the increase in sales in the previous fiscal year.
- Strive to maintain stable supply as both biological microscopes and retinal diagnostic imaging systems continue to be impacted by semiconductor parts and logistics constraints.

## • Operating profit: Up ¥1.7B YoY

- Operating profit to grow on increased revenue of biological microscopes.

# Forecast for the year ending March 31, 2023: Components Business



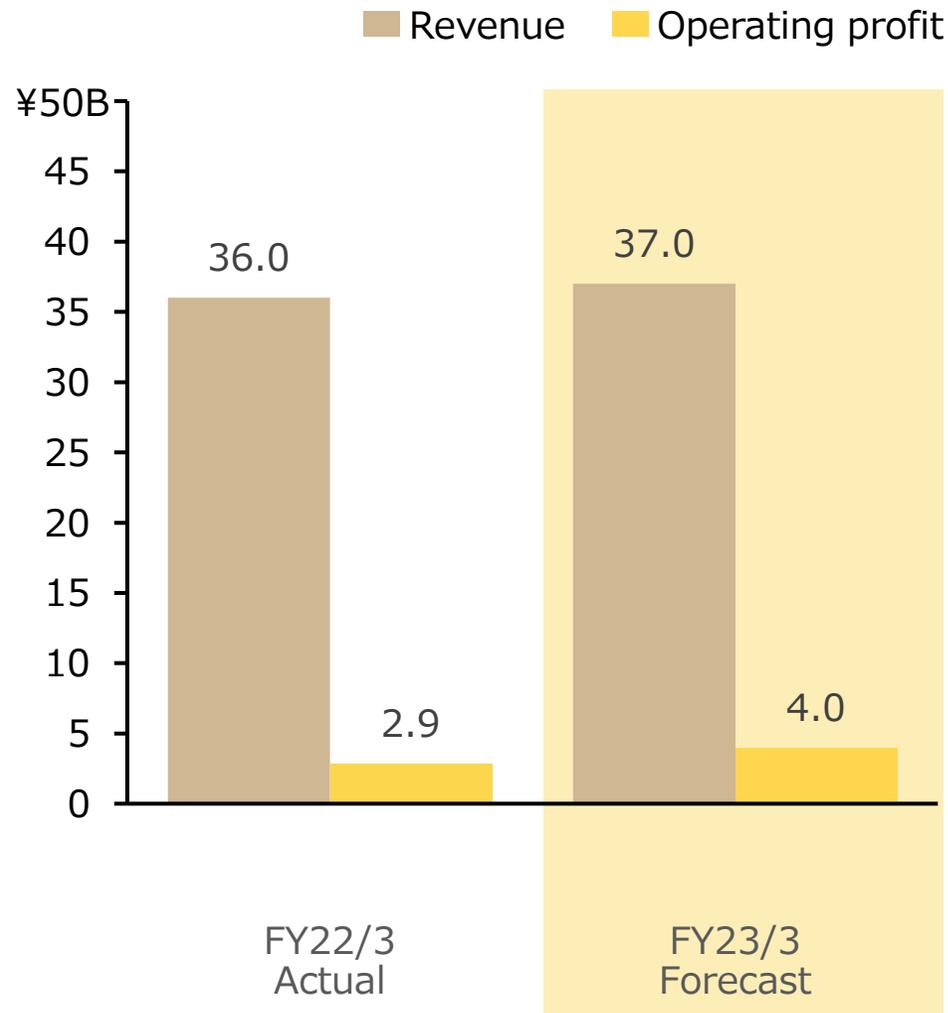
- **Revenue: Up ¥12.2B YoY**

- EUV related components, optical parts for semiconductor related products and optical components, etc., to contribute to expanded sales.

- **Operating profit: Up ¥4.3B YoY**

- Operating profit to grow substantially due to increased revenue.

# Forecast for the year ending March 31, 2023: Industrial Metrology and Others



- **Revenue: Up ¥1.0B YoY**

- In the Industrial Metrology Business, we expect continued strength in sales of image metrology equipment and expanded sales in X-ray inspection systems and non-contact metrology systems, etc.

- **Operating profit: Up ¥1.1B YoY**

- Operating profit to grow on improved utilization rates at domestic production subsidiaries included in Others.
- In the Industrial Metrology Business, we expect expenses to rise on new product R&D and measures to strengthen sales infrastructure.