



Financial Results for the 3rd quarter of the year ending March 31, 2023

February 9, 2023

1. Financial results for the 3rd quarter of the year ending March 31, 2023
2. Forecast for the year ending March 31, 2023

1st to 3rd quarters of the year ending March 31, 2023: Financial Highlights



Billions of Yen	FY2022/3 Q1-Q3	FY2023/3 Q1-Q3	Change	
	Actual (A)	Actual (B)	Amount (B)-(A)	% (B)/(A)
Revenue	406.3	456.0	+49.7	+12.2%
Operating profit % vs Revenue	46.9 11.6%	50.6 11.1%	+3.7	+7.8%
Profit before tax % vs Revenue	52.5 12.9%	52.3 11.5%	-0.2	-0.5%
Profit attributable to owners of parent % vs Revenue	39.0 9.6%	39.4 8.7%	+0.4	+1.0%
FCF	24.4	-22.4	-46.8	-
Exchange Rate : US\$	¥111	¥136	Impact on Revenue +40.9	
EURO	¥131	¥141	Impact on Operating profit +13.9	

Increased in revenue and operating profit,
slightly increased in profit attributable to owners of parent YoY

1st to 3rd quarters of the year ending March 31, 2023: Performance by Segment



Billions of Yen		FY2022/3 Q1-Q3 Actual (A)	FY2023/3 Q1-Q3 Actual (B)	Change	
				Amount (B)-(A)	% (B)/(A)
Imaging Products Business	Revenue	136.0	184.4	+48.4	+35.6%
	Operating profit	18.8	41.2	+22.4	+119.4%
Precision Equipment Business	Revenue	162.9	133.5	-29.4	-18.1%
	Operating profit	33.4	14.6	-18.8	-56.3%
Healthcare Business	Revenue	53.2	72.1	+18.9	+35.7%
	Operating profit	2.8	7.2	+4.4	+157.9%
Components Business	Revenue	30.6	38.1	+7.5	+24.5%
	Operating profit	10.1	13.3	+3.2	+32.1%
Industrial Metrology and Others	Revenue	23.5	27.8	+4.3	+18.4%
	Operating profit	0.1	2.4	+2.3	+1320.9%
Corporate P/L non-attributable to any reportable segments	Operating profit	-18.4	-28.3	-9.9	-
Consolidated	Revenue	406.3	456.0	+49.7	+12.2%
	Operating profit	46.9	50.6	+3.7	+7.8%

Significantly increased in operating profit in the Imaging Products and the Healthcare Business.
Decreased in the Precision Equipment Business.

Note: From FY2023/3, the "Next Generation Project Div." is transferred from the Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to FY2022/3. Corporate P/L non-attributable to any reportable segments includes the elimination of intersegment transactions. The amount of the elimination of intersegment transactions: ¥2.2B in Q1 to Q3 of FY2022/3 . -¥1.0B in Q1 to Q3 of FY2023/3

3rd quarter of the year ending March 31, 2023: Imaging Products Business



Billions of Yen	FY2022/3 Actual		FY2023/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Revenue	46.8	136.0	69.9	184.4	+23.1	+48.4
Operating profit	6.3	18.8	19.0	41.2	+12.7	+22.4
% vs Revenue	13.3%	13.8%	27.2%	22.4%		
Digital Camera- Interchangeable Lens type (units: 1,000)	160	550	210	580	+50	+30
Interchangeable Lens (units: 1,000)	360	1,020	320	930	-40	-90
Compact DSC (units: 1,000)	40	170	30	100	-10	-70

Q1 to Q3 YoY Change : Revenues and operating profit up on weaker yen and higher ASP driven by shift to mid/high-end models for pro/hobbyists. Although the total number of interchangeable lenses decreased, the high price range of full-frame lenses was strong, contributing to increased revenue and operating profit. Beat plan substantially due to deferral of expenses such as R&D expenses, etc.

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

3rd quarter of the year ending March 31, 2023: Precision Equipment Business



Billions of Yen	FY2022/3 Actual		FY2023/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Revenue	43.7	162.9	50.2	133.5	+6.5	-29.4
Operating profit	5.9	33.4	8.4	14.6	+2.5	-18.8
% vs Revenue	13.5%	20.5%	16.6%	10.9%		
FPD Lithography Systems (units)	7	37	6	19	-1	-18
Semiconductor Lithography Systems New/Refurbished (units)	3/5	9/14	6/4	14/12	+3/-1	+5/-2

Q1 to Q3 YoY Change : Decreased in revenue and operating profit YoY as a whole. In the FPD lithography business, sales units of FPD lithography systems decreased significantly. In the Semiconductor lithography business, although the postponement of some semiconductor systems upon customer requests, sales units of systems increased YoY.

Note: From FY2023/3, the "Next Generation Project Div." is transferred from the Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to FY2022/3. Since FY2023/3, market scale and Nikon's sales volume of semiconductor lithography systems include sales of the "Mini Step & Repeat Exposure System", and retroactively applied to FY2022/3.

3rd quarter of the year ending March 31, 2023: Healthcare Business



	FY2022/3 Actual		FY2023/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Billions of Yen						
Revenue	20.2	53.2	25.5	72.1	+5.3	+18.9
Operating profit	1.9	2.8	3.6	7.2	+1.7	+4.4
% vs Revenue	9.3%	5.3%	14.1%	10.1%		

Q1 to Q3 YoY Change : Revenues and operating profit up significantly on weaker yen and strength mainly in North America in biological microscopes and retinal diagnostic imaging systems. Both revenue and operating profit hit record high and operating profit margin recorded 10% range.

3rd quarter of the year ending March 31, 2023: Components Business



	FY2022/3 Actual		FY2023/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Billions of Yen						
Revenue	13.9	30.6	12.1	38.1	-1.8	+7.5
Operating profit	6.7	10.1	3.5	13.3	-3.2	+3.2
% vs Revenue	48.1%	33.1%	29.8%	35.2%		

Q1 to Q3 YoY Change : Continued expanding EUV related components, optical parts and optical components for semiconductor-related products, encoders, photomask substrates for the FPD business contributed to increased revenue and operating profit. Operating profit margin also maintained at 30% range.

3rd quarter of the year ending March 31, 2023: Industrial Metrology and Others



	FY2022/3 Actual		FY2023/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Billions of Yen						
Revenue	8.9	23.5	10.2	27.8	+1.3	+4.3
Operating profit	1.7	0.1	0.9	2.4	-0.8	+2.3
% vs Revenue	20.3%	0.7%	9.2%	8.9%		

Q1 to Q3 YoY Change : Revenue and operating profit up on strength in sales of metrology equipment such as video measuring systems and industrial microscopies in the Industrial Metrology Business.

1. Financial results for the 3rd quarter of the year ending March 31, 2023

2. Forecast for the year ending March 31, 2023

Summary for forecast for the year ending March 31, 2023



Revenue	<ul style="list-style-type: none">● Company total forecast : ¥630.0B (Revised downward ¥15.0B vs. previous forecast)<ul style="list-style-type: none">- Precision Equipment Business : Revised downward ¥20.0B due to delays in the completion of some FPD and semiconductor lithography systems installations.
Operating profit	<ul style="list-style-type: none">● Company total forecast : ¥55.0B (Unchanged from previous forecast)<ul style="list-style-type: none">- Imaging Products Business : Revised upward ¥9.0B to reflect Q3 results.- Precision Equipment Business : Revised downward ¥6.0B due to delays in the completion of some FPD and semiconductor lithography systems installations.- Corporate P/L non-attributable to any reportable segments : Revised downward ¥2.0B due to an increase in expenses related to investment in growth.
Profit attributable to owners of parent	<ul style="list-style-type: none">● Company total forecast : ¥42.0B (Unchanged from previous forecast)
Shareholder Returns	<ul style="list-style-type: none">● Annual Dividend: ¥40, Year-end Dividend: ¥20 (Unchanged from previous forecast)● Share buyback (until end Jan.): 17.56M shares / ¥24.9B repurchased (Up to ¥30.0B)
Exchange rate	<ul style="list-style-type: none">● US\$ ¥135, EURO ¥139 (US\$ ¥130, EURO ¥135 for Q4)
Topics	<ul style="list-style-type: none">● With the completion of the public takeover offer for the shares of SLM, SLM became a consolidated subsidiary in January 2023.

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



Billions of Yen	FY2022/3 Actual (A)	Previous Forecast (Nov. 10) (B)	New Forecast (Feb. 9) (C)	Change (C)-(A)	Change (C)-(B)
Revenue	539.6	645.0	630.0	+90.4	-15.0
Operating profit % vs Revenue	49.9 9.3%	55.0 8.5%	55.0 8.7%	+5.1	±0.0
Profit before tax % vs Revenue	57.0 10.6%	57.0 8.8%	57.0 9.0%	±0.0	±0.0
Profit attributable to owners of parent % vs Revenue	42.6 7.9%	42.0 6.5%	42.0 6.7%	-0.6	±0.0
EPS	¥116.23	¥115.63	¥116.71	+¥0.48	+¥1.08
Annual Dividends	¥40	¥40	¥40	±¥0	±¥0
ROE	7.5%	6.9%	7.0%	-0.5P	+0.1P
Exchange Rate : US\$	¥112	¥135	¥135	Impact on Revenue	
				+48.4	+2.0
EURO	¥131	¥137	¥139	Impact on Operating profit	
				+14.9	+4.0

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

(EPS is calculated by approx. 367M shares for FY2022/3 actual, approx. 363M shares for previous forecast (Nov. 10), and approx. 360M shares for new forecast (Feb. 9).)

Forecast for the year ending March 31, 2023:

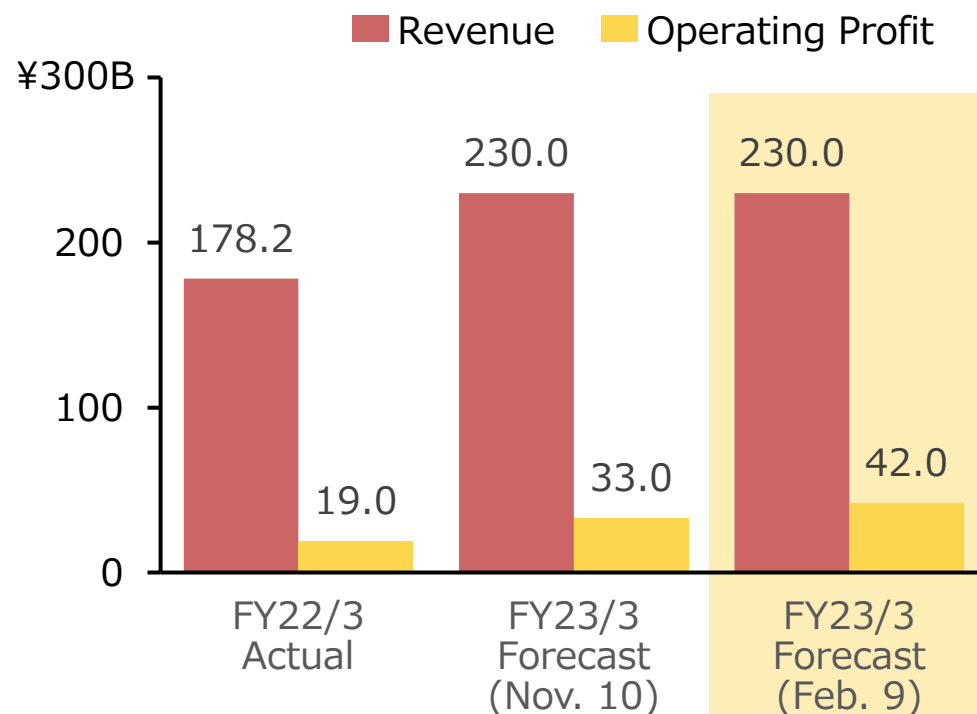
Forecast by Segment



Billions of Yen		FY2022/3	Previous Forecast	New Forecast	Change	Change
		Actual (A)	(Nov. 10) (B)	(Feb. 9) (C)	(C)-(A)	(C)-(B)
Imaging Products Business	Revenue	178.2	230.0	230.0	+51.8	±0.0
	Operating profit	19.0	33.0	42.0	+23.0	+9.0
	% vs Revenue	10.7%	14.3%	18.3%	+7.6P	+4.0P
Precision Equipment Business	Revenue	211.2	230.0	210.0	-1.2	-20.0
	Operating profit	39.4	30.0	24.0	-15.4	-6.0
	% vs Revenue	18.7%	13.0%	11.4%	-7.3P	-1.6P
Healthcare Business	Revenue	73.2	93.0	93.0	+19.8	±0.0
	Operating profit	4.3	8.0	8.0	+3.7	±0.0
	% vs Revenue	6.0%	8.6%	8.6%	+2.6P	±0.0P
Components Business	Revenue	40.8	53.0	53.0	+12.2	±0.0
	Operating profit	12.7	18.0	18.0	+5.3	±0.0
	% vs Revenue	31.1%	34.0%	34.0%	+2.9P	±0.0P
Industrial Metrology and Others	Revenue	36.0	39.0	44.0	+8.0	+5.0
	Operating profit	2.9	4.5	3.5	+0.6	-1.0
	% vs Revenue	8.2%	11.5%	8.0%	-0.2P	-3.5P
Corporate P/L non-attributable to any reportable segments	Operating profit	-28.6	-38.5	-40.5	-11.9	-2.0
Consolidated	Revenue	539.6	645.0	630.0	+90.4	-15.0
	Operating profit	49.9	55.0	55.0	+5.1	±0.0
	% vs Revenue	9.3%	8.5%	8.7%	-0.6P	+0.2P

Note: From FY2023/3, the "Next Generation Project Div." is transferred from the Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to FY2022/3. Corporate P/L non-attributable to any reportable segments includes the elimination of intersegment transactions.

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



- **Revenue: Up ¥51.8B YoY
(Unchanged from previous forecast)**

- Expect market size to grow as parts procurement constraints ease.
- Continue to focus on profitability and mid/high-end cameras targeting pro/hobbyists.
- Increasing revenue mainly for mirrorless cameras. In interchangeable lenses, although sales of low-priced single-focal-length-lenses are decreasing, sales of high price lenses are increasing. As a result, revenue are expected to increase YoY.

- **Operating Profit: Up ¥23.0B YoY
(Up ¥9.0B vs. previous forecast)**

- Expect operating profit growth YoY on increased sales of mid/high-end cameras, higher ASP and weaker yen.
- Raised full year forecast ¥9.0B vs. previous forecast to reflect Q3 results.

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

Market Scale	5,120	5,400	5,800
Nikon	700	700	700

Interchangeable Lens (units:1,000)

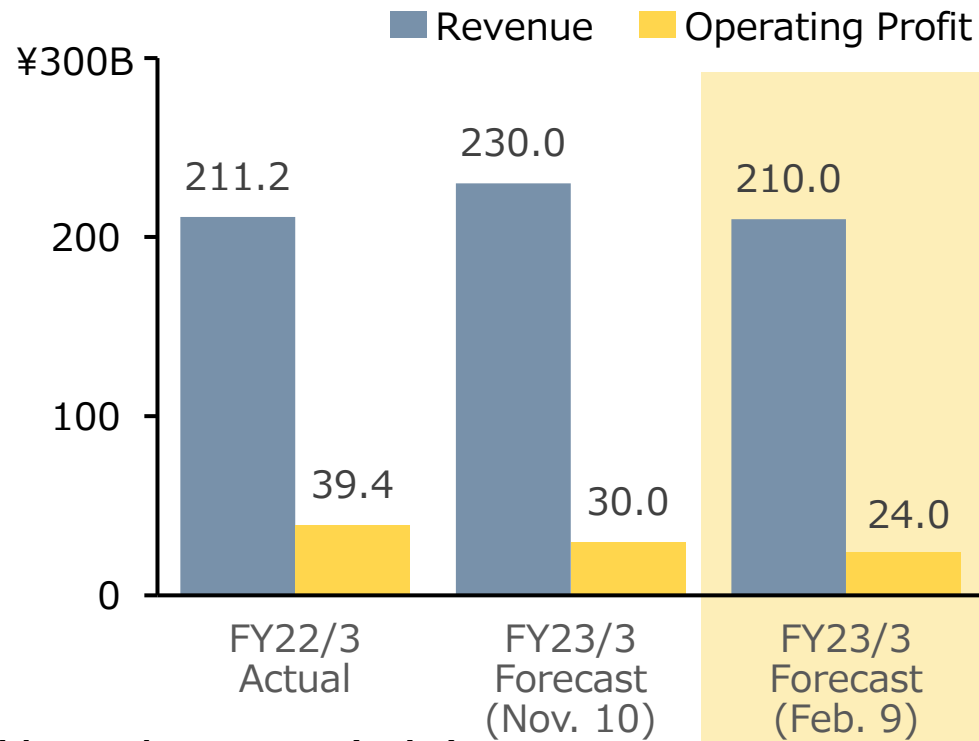
Market Scale	9,390	9,800	9,800
Nikon	1,270	1,250	1,150

Compact DSC (units:1,000)

Market Scale	2,720	2,000	2,000
Nikon	190	100	100

Note: Compact DSC: A camera equipped with integrated 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)

Market Scale (CY21/22)	116	80	79
Nikon	46	30	29

Semiconductor Lithography Systems (New/Refurbished, units)

Market Scale (CY21/22)	390	460	480
Nikon	17/18	37/20	28/18

• Revenue: Down ¥1.2B YoY (Down ¥20.0B vs. previous forecast)

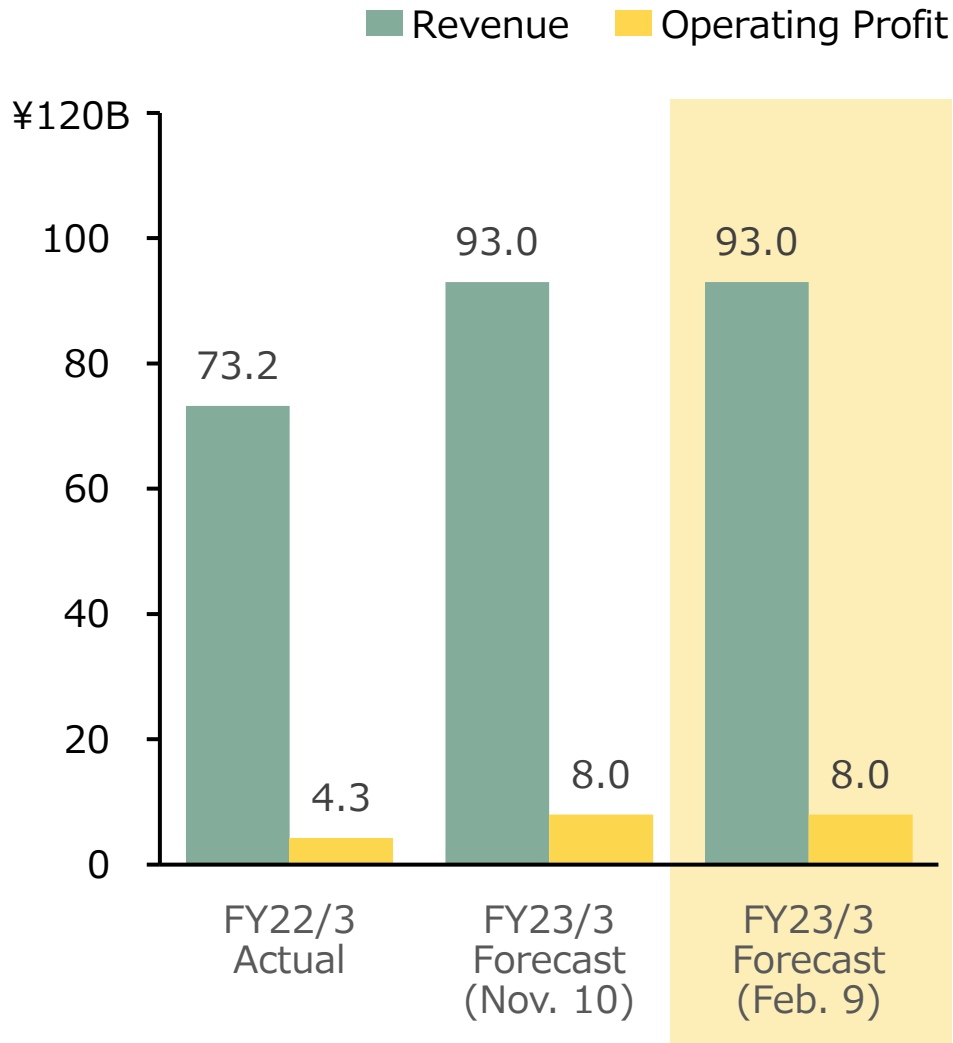
- Expect YoY decline in FPD lithography systems sales volumes due to market contraction as customers rein in capital investments in the face of falling panel prices. Revenue will be lower than the previous forecast due to delays of some systems into next fiscal year.
- Semiconductor lithography system revenue to grow YoY driven mainly by strong demand for ArF lithography systems. Revenue will be lower than the previous forecast due to delays of some systems into next fiscal year.
- Lowered full year forecast ¥20.0B for the Precision Equipment Business.

• Operating Profit: Down ¥15.4B YoY (Down ¥6.0B vs. previous forecast)

- Expect operating profit to decline YoY the Precision Equipment Business as lower sales volumes in FPD lithography systems outweigh increased sales volumes in Semiconductor lithography systems.
- Lowered full year forecast ¥6.0B vs. previous forecast due to the delay into next fiscal year of completion of some FPD and semiconductor lithography system installations.

Note: From FY2023/3, the "Next Generation Project Div." is transferred from the Precision Equipment Business to Corporate P/L non-attributable to any reportable segments, and retroactively applied to FY2022/3. Since FY2023/3, market scale and Nikon's sales volume of semiconductor lithography system include sales of the "Mini Step & Repeat Exposure System", and retroactively applied to FY2022/3.

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



- **Revenue: Up ¥19.8B YoY**

- (Unchanged from previous forecast)

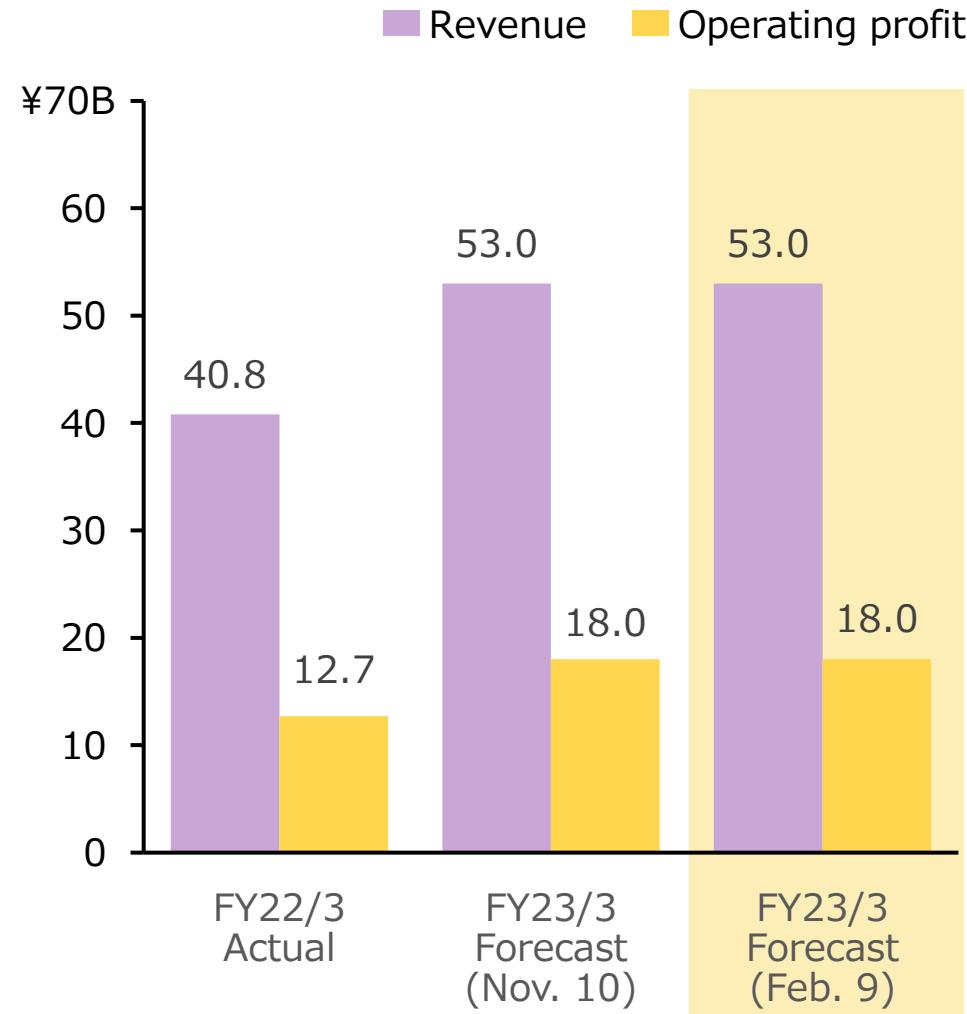
- Expect another record-high year in revenue.
 - Biological microscope revenue to grow primarily in North America, but also in China and other regions through expanded sales of new products and the development of private sector markets.
 - Retinal diagnostic imaging systems sales to grow in North America, Europe and Asia.
 - Constraints in semiconductor parts and logistics for both biological microscopes and retinal diagnostic imaging systems are on the way to being resolved, but the impact remains and we will continue to strive for stable supply.

- **Operating Profit: Up ¥3.7B YoY**

- (Unchanged from previous forecast)

- Expect YoY operating profit growth on increased revenues from biological microscopes and retinal diagnostic imaging systems.

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



- **Revenue: Up ¥12.2B YoY**

- **(Unchanged from previous forecast)**

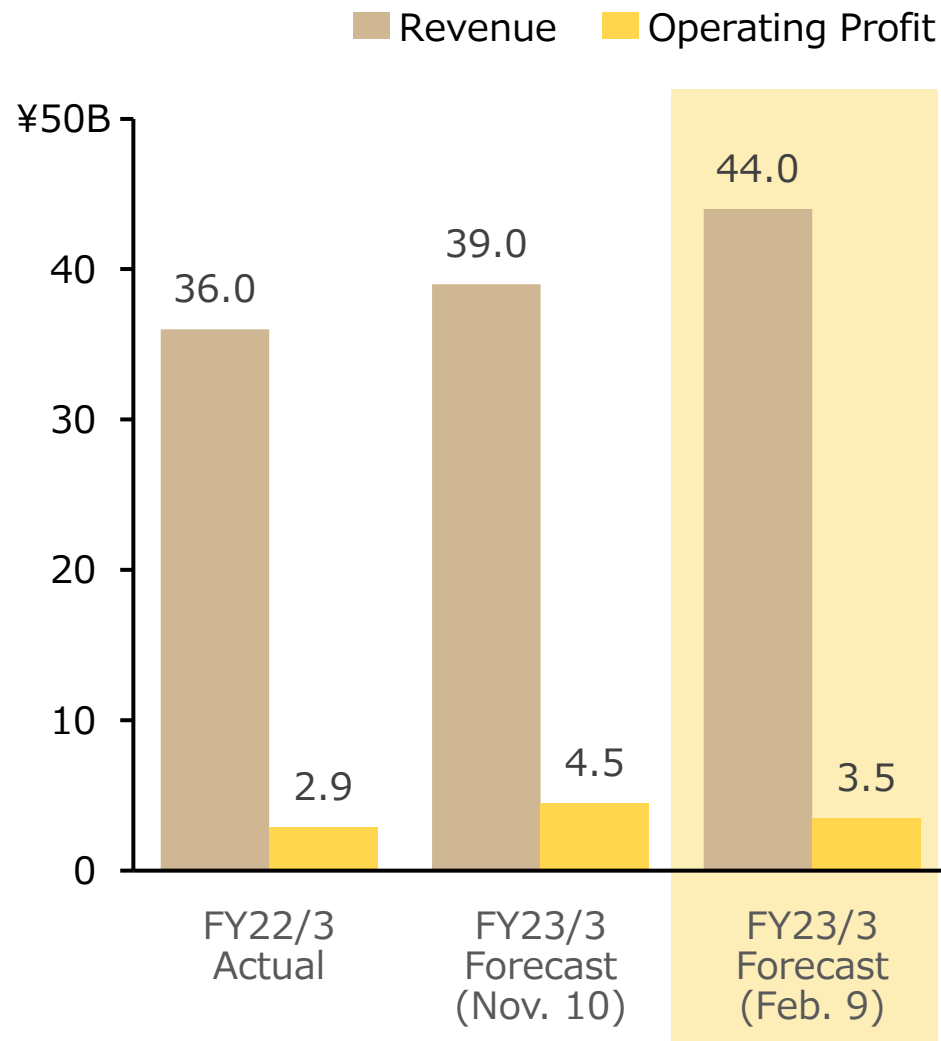
- EUV related components, optical parts and optical components for semiconductor-related products, and photomask substrates for FPD to contribute to sales expansion.

- **Operating profit: Up ¥5.3B YoY**

- **(Unchanged from previous forecast)**

- Expect to increase operating profits YoY by the effect of increased sales associated with sales expansion.

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



- **Revenue: Up ¥8.0B YoY
(Up ¥5.0B vs. previous forecast)**

- In the Industrial Metrology Business, we expect strength in sales of video measuring systems and X-ray inspection systems, etc.
- Our rough estimates of the financial impact of SLM consolidation included in "Others".

- **Operating Profit: Up ¥0.6B YoY
(Down ¥1.0B vs. previous forecast)**

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