



August 7, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (IFRS)

Corporate Name: NIKON CORPORATION

Securities code number: 7731

Stock exchange listings: Tokyo

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Scheduled date to commence dividend payments: –

Preparation of supplementary materials for financial results: Yes

Information meeting for financial results to be held: Yes (for institutional investors and analysts)

(Amounts are rounded to the nearest millions of yen)

1. Consolidated Results for the Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentage represents year-on-year changes)

	Revenue		Operating Profit		Profit before Tax		Profit Attributable to Owners of Parent		Total Comprehensive Income for the Period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	158,121	(3.5)	(1,191)	–	795	(82.9)	9,469	243.6	11,701	(60.2)
Three months ended June 30, 2024	163,896	3.6	2,950	(10.3)	4,645	(3.6)	2,755	7.0	29,366	(13.3)

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Three months ended June 30, 2025	28.79	28.64
Three months ended June 30, 2024	7.95	7.91

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of Parent	Ratio of Equity Attributable to Owners of Parent to Total Assets
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2025	1,138,420	642,726	641,493	56.3
As of March 31, 2025	1,110,514	639,223	637,977	57.4

2. Dividends

	Dividend per Share				
	First quarter ended	Second quarter ended	Third quarter ended	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	25.00	–	25.00	50.00
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (Planned)		25.00	–	25.00	50.00

Note: Revision of cash dividend forecast from the latest announcement: None

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(Percentage represents year-on-year changes)

	Revenue		Operating Profit		Profit before Tax		Profit Attributable to Owners of Parent		Basic Earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	313,000	(5.9)	(8,000)	—	(6,000)	—	5,000	68.7	15.20
Fiscal year ending March 31, 2026	700,000	(2.1)	21,000	767.2	25,000	451.5	27,000	341.0	82.08

Note: Revision of forecast from the latest announcement: Yes

4. Others

(1) Significant Changes in the Scope of Consolidation during the Period: None

Newly included: —

Excluded: —

(2) Changes in Accounting Policies and Changes in Accounting Estimates

1. Changes in accounting policies required by IFRS: None

2. Changes in accounting policies other than the above: None

3. Changes in accounting estimates: None

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued as of the period end (including treasury shares):

As of June 30, 2025 333,585,686 shares

As of March 31, 2025 333,585,686 shares

2. Number of treasury shares as of the period end:

As of June 30, 2025 4,451,588 shares

As of March 31, 2025 4,757,522 shares

3. Average number of shares during the period (cumulative total):

Three months ended June 30, 2025 328,936,421 shares

Three months ended June 30, 2024 346,489,274 shares

* Review by certified public accountants or an auditing firm on the attached quarterly consolidated financial statements:
None

* Appropriate use of business forecast; other special items

Performance forecast and other forward-looking statements included in this report are based on information currently available and on certain assumptions deemed rational at the time of this report's release. Due to various circumstances, however, actual results may differ significantly from such statements.

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1. Performance and Financial Position

(1) Qualitative Information on Consolidated Operating Results

During the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025), in the Imaging Products Business, both unit sales and sales amount remained solid in the digital camera market.

In the Precision Equipment Business, capital investments in the field related to FPDs, including both mid-to-small size panels and large-size panels, remained firm. On the other hand, however, a recovery in capital investments in the fields related to semiconductors as a whole was delayed, while capital investments in AI-related semiconductors remained strong.

In the Healthcare Business, the life science solutions and eye care solutions fields faced sluggish market conditions in certain regions, particularly in the Americas, against the backdrop of their political and economic environments.

In the Components Business, the Industrial Solutions Business was adversely affected by adjustments of inventories by end users and other factors, despite a recovery trend in the semiconductors and electronic components markets. In the Customized Products Business, a slowdown in the EUV-related markets had a negative impact, resulting in weak performance.

In the Digital Manufacturing Business, the metal additive manufacturing field stagnated mainly in the mid-to-small size equipment market, but demand expanded in the large-size equipment market.

Under these circumstances, during the three months ended June 30, 2025, revenue decreased 5,775 million yen (3.5%) year on year to 158,121 million yen, operating loss was 1,191 million yen (compared with operating profit of 2,950 million yen in the same period of the previous fiscal year), and profit before tax decreased 3,850 million yen (82.9%) year on year to 795 million yen. Meanwhile, profit attributable to owners of parent increased 6,713 million yen (243.6%) year on year to 9,469 million yen. This was due to the recording of deferred tax assets and income taxes-deferred on deductible temporary differences associated with the resolution to dissolve and liquidate Nikon Metrology NV, a consolidated subsidiary of the Company.

Performance by segment is as follows.

In the Imaging Products Business, sales of mirrorless cameras, centered on models such as the newly released Z5II and the Z50II, as well as interchangeable lenses remained strong. However, the business segment recorded year-on-year decreases in both revenue and profit due partly to changes in the product mix, a decline in average selling prices caused by foreign exchange effects, and the impact of tariffs.

In the Precision Equipment Business, in the FPD lithography systems field, unit sales of the systems for large-size panels decreased, while those for mid-to-small size panels increased. Meanwhile, in the semiconductor lithography system field, unit sales of used systems decreased, but those of new systems increased. As a result of these factors, as well as the effects of structural reforms implemented in the previous fiscal year, the business segment as a whole recorded year-on-year increases in both revenue and profit.

In the Healthcare Business, the life science solutions and eye care solutions fields were adversely affected by sluggish market conditions in the Americas. This, combined with tariff impacts, led to the business segment as a whole recording year-on-year decreases in both revenue and profit.

In the Components Business, the Industrial Solutions Business recorded a year-on year decrease in revenue due to a decline in sales of optical parts and optical components, despite increased sales of Video Measuring Systems for electronic components and semiconductors. However, profit increased year on year, supported by a shift in the product mix and the effects of structural reforms related to the Industrial Metrology Business implemented in the previous year. The Customized Products Business, which also belongs to this business segment, recorded year-on-year increases in both revenue and profit as sales of non-EUV-related components remained strong although sales of EUV-related components were adversely affected by a slowdown in the EUV-related markets. As a result of these and other factors, the business segment as a whole recorded year-on-year increases in both revenue and profit.

In the Digital Manufacturing Business, the Group recorded a year-on-year decrease in revenue due to a decline in unit sales of large-size equipment. In addition, operating loss increased due to increased upfront investments in R&D and other areas.

(2) Qualitative Information on Consolidated Financial Position

The balance of total assets as of June 30, 2025 increased by 27,905 million yen from the end of the previous fiscal year to 1,138,420 million yen. This was mainly due to increases of 14,021 million yen in inventories, 8,784 million yen in deferred tax assets, 5,472 million yen in property, plant and equipment, right-of-use assets, goodwill and intangible assets, and 4,394 million yen in other current assets, despite a decrease of 9,499 million yen in trade and other receivables.

The balance of total liabilities as of June 30, 2025 increased by 24,403 million yen from the end of the previous fiscal year to 495,694 million yen. This was mainly due to increases of 20,994 million yen in bonds and borrowings and 13,846 million yen in advances received, despite decreases of 3,302 million yen in trade and other payables, 2,752 million yen in other current liabilities, and 2,120 million yen in other financial liabilities.

The balance of total equity as of June 30, 2025 increased by 3,502 million yen from the end of the previous fiscal year to 642,726 million yen. This was mainly due to an increase of 2,260 million yen in other components of equity due mainly to changes in the fair value of financial assets held, an increase of 758 million yen in retained earnings primarily due to the recording of profit attributable to owners of parent, and a decrease of 499 million yen in treasury shares as a result of their disposal as share-based payment.

During the three months ended June 30, 2025, for the cash flows from operating activities, net cash of 4,401 million yen was provided (17,556 million yen provided in the same period of the previous fiscal year). This was mainly attributable to the recording of profit before tax of 795 million yen and depreciation and amortization of 10,313 million yen, and an increase in advances received, despite an increase in inventories and income taxes paid.

For the cash flows from investing activities, net cash of 13,798 million yen was used (25,563 million yen used in the same period of the previous fiscal year). This was mainly attributable to purchase of property, plant and equipment and intangible assets.

For the cash flows from financing activities, net cash of 10,833 million yen was provided (10,353 million yen used in the same period of the previous fiscal year). This was mainly attributable to a net increase in short-term borrowings of 10,847 million yen and proceeds from long-term borrowings of 10,000 million yen, despite cash dividends paid of 8,060 million yen.

As a result of a decrease of 285 million yen due to the effect of exchange rate changes on cash and cash equivalents, along with the cash flows outlined above, the balance of cash and cash equivalents as of June 30, 2025 increased by 1,150 million yen from the end of the previous fiscal year to 164,740 million yen.

(3) Qualitative Information on Consolidated Financial Forecast

Regarding the business environment for the fiscal year ending March 31, 2026, in the Imaging Products Business, the digital camera market is expected to remain solid.

In the Precision Equipment Business, capital investments for mid-to-small size panels in the field related to FPDs are expected to remain firm and those for large-size panels are expected to gradually increase in line with the growth of the organic LED market. Meanwhile, we expect that the fields related to semiconductors will recover in the second half of the fiscal year ending March 31, 2026 or later.

In the Healthcare Business, we need to closely monitor changes in market conditions and customer behavior against the backdrop of political and economic trends in each country in the life science solutions and eye care solutions fields.

In the Components Business, both the semiconductor-related markets and the factory automation market in the Industrial Solutions Business are expected to show a recovery trend. Meanwhile, the Customized Products Business will likely continue to be affected by a slowdown in EUV-related markets.

In the Digital Manufacturing Business, the metal additive manufacturing field is expected to remain weak and unchanged, mainly in the mid-to-small size equipment market. On the other hand, the large-size equipment market is expected to continue growing, especially in North America, as demand is expected to increase.

The consolidated financial forecast for the year ending March 31, 2026 announced on May 8, 2025 has been revised as below.

The consolidated financial forecast for the six months ending September 30, 2025 has been revised downward from the previous forecast by 9.0 billion yen in revenue and by 11.0 billion yen in both operating profit and profit before tax. This revision reflects the following factors: in the Imaging Products Business, the product mix has shifted downward due to changes in demand; in the Healthcare Business, sales have fallen short due to weakness in the U.S. market; and in the Precision Equipment Business, some sales are shifted from the first half to the second half of the fiscal year ending March 31, 2026. The revised forecast also reflects the impact of U.S. tariffs, which had not been factored into the previous forecast. On the other hand, profit attributable to owners of parent has been revised upward by 1.5 billion yen, reflecting the recognition of 9.3 billion yen in deferred tax assets (income taxes-deferred) associated with the resolution to dissolve and liquidate a consolidated subsidiary.

The full-year consolidated financial forecast has been revised downward to reflect the revisions to the first-half forecast and the anticipated impact of U.S. tariffs in the second half of the fiscal year ending March 31, 2026.

Revised Consolidated Financial Forecast for the Six Months Ending September 30, 2025
(From April 1, 2025 to September 30, 2025)

	Revenue	Operating Profit	Profit before Tax	Profit Attributable to Owners of Parent	Basic Earnings per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	322,000	3,000	5,000	3,500	10.64
Revised Forecast (B)	313,000	(8,000)	(6,000)	5,000	15.20
Difference (B-A)	(9,000)	(11,000)	(11,000)	1,500	
Change (%)	(2.8)	—	—	42.9	
(Reference) Results of the Six Months Ended September 30, 2024	332,779	5,817	4,454	2,963	8.55

Note: Foreign exchange rates for the forecast are based on the following assumptions: USD1 = JPY145 and EUR1 = JPY159.

Revised Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026
(From April 1, 2025 to March 31, 2026)

	Revenue	Operating Profit	Profit before Tax	Profit Attributable to Owners of Parent	Basic Earnings per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	710,000	36,000	40,000	30,000	91.23
Revised Forecast (B)	700,000	21,000	25,000	27,000	82.08
Difference (B-A)	(10,000)	(15,000)	(15,000)	(3,000)	
Change (%)	(1.4)	(41.7)	(37.5)	(10.0)	
(Reference) Results of the Fiscal Year Ended March 31, 2025	715,285	2,422	4,533	6,123	17.86

Note: Foreign exchange rates for the forecast are based on the following assumptions: USD1 = JPY145 and EUR1 = JPY157.

2. Quarterly Condensed Consolidated Financial Statements

(1) Quarterly Condensed Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025	Changes
ASSETS			
Current assets			
Cash and cash equivalents	163,590	164,740	1,150
Trade and other receivables	125,441	115,942	(9,499)
Inventories	307,533	321,553	14,021
Other current financial assets	3,116	3,746	629
Other current assets	20,540	24,934	4,394
Total current assets	620,220	630,915	10,695
Non-current assets			
Property, plant and equipment	146,473	148,018	1,545
Right-of-use assets	18,752	19,399	648
Goodwill and intangible assets	165,462	168,743	3,280
Retirement benefit asset	13,998	14,344	346
Investments accounted for using equity method	10,068	10,782	714
Other non-current financial assets	76,111	78,063	1,953
Deferred tax assets	58,614	67,398	8,784
Other non-current assets	817	758	(59)
Total non-current assets	490,294	507,504	17,210
Total assets	1,110,514	1,138,420	27,905

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025	Changes
LIABILITIES / EQUITY			
LIABILITIES			
Current liabilities			
Trade and other payables	82,200	78,897	(3,302)
Bonds and borrowings	71,413	82,434	11,021
Income taxes payable	5,474	3,892	(1,582)
Advances received	68,157	82,003	13,846
Provisions	5,756	5,016	(740)
Other current financial liabilities	31,814	28,984	(2,831)
Other current liabilities	40,731	37,980	(2,752)
Total current liabilities	305,545	319,205	13,660
Non-current liabilities			
Bonds and borrowings	122,157	132,130	9,973
Retirement benefit liability	7,897	8,164	267
Provisions	6,521	6,506	(14)
Deferred tax liabilities	11,347	11,038	(308)
Other non-current financial liabilities	13,480	14,191	711
Other non-current liabilities	4,345	4,459	114
Total non-current liabilities	165,746	176,489	10,743
Total liabilities	471,291	495,694	24,403
EQUITY			
Share capital	65,476	65,476	—
Treasury shares	(7,761)	(7,262)	499
Other components of equity	67,147	69,406	2,260
Retained earnings	513,115	513,873	758
Equity attributable to owners of parent	637,977	641,493	3,517
Non-controlling interests	1,246	1,232	(14)
Total equity	639,223	642,726	3,502
Total liabilities and equity	1,110,514	1,138,420	27,905

(2) Quarterly Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

Quarterly Condensed Consolidated Statements of Profit or Loss

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)		Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)		Changes
	(Millions of yen)	Ratio to revenue (%)	(Millions of yen)	Ratio to revenue (%)	(Millions of yen)
Revenue	163,896	100.0	158,121	100.0	(5,775)
Cost of sales	(89,037)	(54.3)	(90,907)	(57.5)	(1,870)
Gross profit	74,859	45.7	67,214	42.5	(7,645)
Selling, general and administrative expenses	(72,348)		(68,235)		4,114
Other operating income	640		914		274
Other operating expenses	(200)		(1,085)		(885)
Operating profit (loss)	2,950	1.8	(1,191)	(0.8)	(4,142)
Finance income	3,658		2,424		(1,234)
Finance costs	(2,789)		(1,240)		1,549
Share of profit of investments accounted for using equity method	826		802		(24)
Profit before tax	4,645	2.8	795	0.5	(3,850)
Income tax expense	(1,869)		8,667		10,536
Profit for the period	2,776	1.7	9,462	6.0	6,686
Profit attributable to:					
Owners of parent	2,755	1.7	9,469	6.0	6,713
Non-controlling interests	21		(6)		(27)
Profit for the period	2,776	1.7	9,462	6.0	6,686
Earnings per share:					
Basic earnings per share (Yen)	7.95		28.79		
Diluted earnings per share (Yen)	7.91		28.64		

Quarterly Condensed Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)	Changes
Profit for the period	2,776	9,462	6,686
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain (loss) on financial assets measured at fair value through other comprehensive income	3,106	1,686	(1,420)
Share of other comprehensive income of investments accounted for using equity method	(1)	0	1
Total of items that will not be reclassified subsequently to profit or loss	3,106	1,686	(1,419)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	22,840	417	(22,423)
Effective portion of cash flow hedges	46	96	50
Share of other comprehensive income of investments accounted for using equity method	598	39	(559)
Total of items that may be reclassified subsequently to profit or loss	23,484	553	(22,932)
Other comprehensive income, net of taxes	26,590	2,239	(24,351)
Total comprehensive income for the period	29,366	11,701	(17,665)
Comprehensive income attributable to:			
Owners of parent	29,305	11,698	(17,608)
Non-controlling interests	61	4	(57)
Total comprehensive income for the period	29,366	11,701	(17,665)

(3) Quarterly Condensed Consolidated Statements of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Gain (loss) on financial assets measured at fair value through other comprehensive income	Share of other comprehensive income of investments accounted for using equity method
As of April 1, 2024	65,476	897	(7,297)	18,965	(1,057)
Profit for the period	—	—	—	—	—
Other comprehensive income	—	—	—	3,115	598
Total comprehensive income for the period	—	—	—	3,115	598
Dividends	—	—	—	—	—
Purchase and disposal of treasury shares	—	(0)	(1)	—	—
Share-based payment transactions	—	(201)	243	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(11)	—
Total transactions with owners	—	(201)	243	(11)	—
As of June 30, 2024	65,476	696	(7,054)	22,069	(460)

As of April 1, 2025	65,476	—	(7,761)	11,909	(929)
Profit for the period	—	—	—	—	—
Other comprehensive income	—	—	—	1,659	39
Total comprehensive income for the period	—	—	—	1,659	39
Dividends	—	—	—	—	—
Purchase and disposal of treasury shares	—	(0)	(0)	—	—
Share-based payment transactions	—	(459)	499	—	—
Transfer from retained earnings to capital surplus	—	459	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	30	—
Total transactions with owners	—	—	499	30	—
As of June 30, 2025	65,476	—	(7,262)	13,598	(890)

(Millions of yen)

(millions of yen)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Retained earnings	Total		
	Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Total				
As of April 1, 2024	58,127	(159)	75,876	548,843	683,795	1,297	685,091
Profit for the period	—	—	—	2,755	2,755	21	2,776
Other comprehensive income	22,791	46	26,550	—	26,550	40	26,590
Total comprehensive income for the period	22,791	46	26,550	2,755	29,305	61	29,366
Dividends	—	—	—	(8,661)	(8,661)	(32)	(8,693)
Purchase and disposal of treasury shares	—	—	—	—	(1)	—	(1)
Share-based payment transactions	—	—	—	—	42	—	42
Transfer from retained earnings to capital surplus	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(11)	11	—	—	—
Total transactions with owners	—	—	(11)	(8,650)	(8,620)	(32)	(8,652)
As of June 30, 2024	80,918	(113)	102,415	542,948	704,480	1,326	705,806

As of April 1, 2025	55,966	201	67,147	513,115	637,977	1,246	639,223
Profit for the period	—	—	—	9,469	9,469	(6)	9,462
Other comprehensive income	434	96	2,229	—	2,229	10	2,239
Total comprehensive income for the period	434	96	2,229	9,469	11,698	4	11,701
Dividends	—	—	—	(8,221)	(8,221)	(18)	(8,238)
Purchase and disposal of treasury shares	—	—	—	—	(0)	—	(0)
Share-based payment transactions	—	—	—	—	40	—	40
Transfer from retained earnings to capital surplus	—	—	—	(459)	—	—	—
Transfer from other components of equity to retained earnings	—	—	30	(30)	—	—	—
Total transactions with owners	—	—	30	(8,710)	(8,181)	(18)	(8,199)
As of June 30, 2025	56,401	297	69,406	513,873	641,493	1,232	642,726

(4) Quarterly Condensed Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Cash flows from operating activities:		
Profit before tax	4,645	795
Depreciation and amortization	9,871	10,313
Interest and dividend income	(1,948)	(1,805)
Share of (profit) loss of investments accounted for using equity method	(826)	(802)
Losses (gains) on sale of property, plant and equipment	10	(11)
Interest expenses	930	709
Decrease (increase) in trade and other receivables	22,802	9,729
Decrease (increase) in inventories	(15,648)	(13,338)
Increase (decrease) in trade and other payables	(504)	(519)
Increase (decrease) in advances received	13,304	13,091
Increase (decrease) in provisions	(2,816)	(878)
Others, net	(11,574)	(10,162)
Subtotal	18,246	7,122
Interest and dividend income received	1,943	1,761
Interest expenses paid	(297)	(745)
Income taxes refund (paid)	(2,336)	(3,737)
Net cash provided by (used in) operating activities	17,556	4,401
Cash flows from investing activities:		
Purchase of property, plant and equipment	(7,519)	(10,207)
Proceeds from sale of property, plant and equipment	95	83
Purchase of intangible assets	(5,364)	(4,071)
Purchase of investment securities	(236)	(148)
Proceeds from sale of investment securities	59	370
Acquisition of subsidiaries or other businesses	(12,459)	—
Others, net	(138)	175
Net cash provided by (used in) investing activities	(25,563)	(13,798)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	465	10,847
Proceeds from long-term borrowings	—	10,000
Repayments of long-term borrowings	(56)	(55)
Repayments of lease liabilities	(2,314)	(1,899)
Cash dividends paid	(8,409)	(8,060)
Cash dividends paid to non-controlling interests	—	(18)
Purchase of treasury shares	(1)	(0)
Others, net	(38)	17
Net cash provided by (used in) financing activities	(10,353)	10,833
Effect of exchange rate changes on cash and cash equivalents	7,369	(285)
Net increase (decrease) in cash and cash equivalents	(10,991)	1,150
Cash and cash equivalents at beginning of the period	206,644	163,590
Cash and cash equivalents at end of the period	195,653	164,740

(5) Notes to Quarterly Condensed Consolidated Financial Statements
(Going Concern Assumption)
Not applicable

(Segment Information)

(1) Outline of Reportable Business Segments

The business segments that the Group reports are the business units for which the Company is able to obtain respective financial information separately for the Board of Directors to conduct periodic investigations to determine the distribution of management resources and evaluate the Group's business results.

In consideration of the similarity of economic characteristics, the Group has integrated its business divisions into five reportable segments consisting of the Imaging Products Business, the Precision Equipment Business, the Healthcare Business, the Components Business, and the Digital Manufacturing Business.

The Imaging Products Business provides products and services of imaging products and its peripheral domain, such as digital camera-interchangeable lens type, compact DSC and interchangeable lens. The Precision Equipment Business provides products and services with regard to the FPD lithography system and semiconductor lithography system. The Healthcare Business provides products and services for the life science solutions field such as biological microscopes, for the eye care solutions field such as ultra-wide field retinal imaging devices, and for the contract cell development and manufacturing field. The Components Business provides products and services related to the Industrial Metrology Business such as industrial microscopes, measuring instruments, and X-ray and CT inspections systems; related to the Digital Solutions Business such as optical components, optical parts, and encoders; related to the Customized Products Business such as EUV-related components and space-related solutions; and related to the Glass Business such as photomask substrates for FPDs. The Digital Manufacturing Business provides products and services of metal 3D printers.

(2) Information on Reportable Business Segments

Profit or loss of reportable segments is based on operating profit. The intersegment revenues are based on prevailing market prices.

Information on revenue and profit (loss) by reportable segment is as follows.

For the Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total	Reconciliation (Note 2)	Consolidated
Revenue									
External customers	83,714	33,186	26,227	13,853	5,915	1,002	163,896	—	163,896
Intersegment	729	42	38	2,137	1	23,224	26,170	(26,170)	—
Total	84,443	33,227	26,264	15,990	5,916	24,226	190,066	(26,170)	163,896
Segment profit (loss)	17,880	(2,139)	(628)	(114)	(3,579)	274	11,693	(8,743)	2,950
Finance income									3,658
Finance costs									(2,789)
Shares of profit of investments accounted for using equity method									826
Profit before tax									4,645

- Notes: 1. The “Others” category consists of operations not included in the reportable segments.
2. Regarding segment profit (loss), reconciliation is made between segment profit (loss) and operating profit reported in the quarterly condensed consolidated statement of profit or loss. Reconciliation of segment profit (loss) includes elimination of intersegment transactions of (11) million yen and corporate profit (loss) of (8,732) million yen that cannot be attributed to any segments. The main components of corporate profit (loss) include expenses related to investment in growth of (4,958) million yen, which are related to basic research, creation of new business, and manufacturing innovation, and expenses for administration department of (3,774) million yen, which add up general and administrative expenses of headquarter functions and other operating income or expenses that cannot be attributed to any segments.

For the Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total	Reconciliation (Note 2)	Consolidated
Revenue									
External customers	80,034	33,821	23,173	15,177	5,099	817	158,121	—	158,121
Intersegment	310	46	47	2,253	29	21,433	24,118	(24,118)	—
Total	80,345	33,867	23,220	17,430	5,128	22,250	182,239	(24,118)	158,121
Segment profit (loss)	11,030	1,889	(1,838)	1,801	(4,190)	(212)	8,479	(9,671)	(1,191)
Finance income									2,424
Finance costs									(1,240)
Shares of profit of investments accounted for using equity method									802
Profit before tax									795

- Notes: 1. The “Others” category consists of operations not included in the reportable segments.
2. Regarding segment profit (loss), reconciliation is made between segment profit (loss) and operating loss reported in the quarterly condensed consolidated statement of profit or loss. Reconciliation of segment profit (loss) includes elimination of intersegment transactions of (1,472) million yen and corporate profit (loss) of (8,199) million yen that cannot be attributed to any segments. The main components of corporate profit (loss) include expenses related to investment in growth of (4,153) million yen, which are related to basic research, creation of new business, and manufacturing innovation, and expenses for administration department of (4,046) million yen, which add up general and administrative expenses of headquarter functions and other operating income or expenses that cannot be attributed to any segments.

(Revenue)

In consideration of the similarity of economic characteristics, the Group has integrated its business divisions into five reportable segments consisting of the Imaging Products Business, the Precision Equipment Business, the Healthcare Business, the Components Business, and the Digital Manufacturing Business. The business segments are periodically reviewed by the Board of Directors to determine the distribution of management resources and evaluate business results, and revenue of these business units is presented as revenue. The relationship between the disclosure of disaggregated revenue into geographical regions based on customer's location and revenue information that is disclosed for each reportable segment is as follows.

For the Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total
Japan	8,326	3,831	2,727	6,239	36	408	21,568
United States	21,012	5,381	13,787	3,194	2,618	—	45,992
Europe (Note 2)	14,872	4,057	4,387	1,392	2,791	19	27,519
China	21,919	10,131	2,686	1,026	11	503	36,276
Others (Note 2)	17,584	9,786	2,639	2,002	458	72	32,542
Total	83,714	33,186	26,227	13,853	5,915	1,002	163,896

- Notes: 1. The "Others" category consists of operations not included in the reportable segments.
2. Except for Japan, the United States, and China, the countries or regions are primarily categorized as follows:
1) Europe: The United Kingdom, France, and Germany
2) Others: Canada, Asia other than Japan and China, Middle East, Oceania, and Latin America

For the Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total
Japan	7,439	3,458	3,108	7,233	269	422	21,929
United States	19,399	6,322	10,716	2,663	2,409	—	41,509
Europe (Note 2)	15,367	4,209	4,673	1,878	2,250	28	28,405
China	22,141	15,289	1,839	1,275	0	318	40,861
Others (Note 2)	15,688	4,543	2,837	2,128	171	50	25,417
Total	80,034	33,821	23,173	15,177	5,099	817	158,121

- Notes: 1. The "Others" category consists of operations not included in the reportable segments.
2. Except for Japan, the United States, and China, the countries or regions are primarily categorized as follows:
1) Europe: The United Kingdom, France, and Germany
2) Others: Canada, Asia other than Japan and China, Middle East, Oceania, and Latin America

(Contingent Liabilities)

(Litigation)

The Group is exposed throughout its business activities to the possibility of being involved in a contentious case, becoming a defendant in a lawsuit, and being the object of inquiries by government agencies, in Japan and overseas. The Group examines the possibility of recognizing a provision for the obligation arising from a contentious case or a lawsuit, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Company's subsidiary in India (hereinafter referred as the "Subsidiary in India") was inquired by the Indian Tax Authority regarding the import of the Company's digital cameras, and in October 2016, the imposition was confirmed in relation to the customs duty, interest, and penalty concerning those products. In January 2017, the Subsidiary in India appealed to the Customs, Excise and Service Tax Appellate Tribunal (hereinafter referred to as the "CESTAT"); however, the appeal was dismissed in December 2017. To object to this decision, in January 2018, the Subsidiary in India filed an appeal to the Supreme Court of India (hereinafter referred to as the "Supreme Court"). In March 2021, the Supreme Court delivered a judgment revoking the decision of the CESTAT and consequently the demand notice by the Indian Tax Authority. Subsequently in April 2021, the Indian Tax Authority filed a request for retrial. The Supreme Court approved the request for retrial in November 2024, and remanded the case to the CESTAT. In April 2025, at the remanded trial, the CESTAT rendered a judgement that the products were exempt from taxation. However, the Indian Tax Authority may appeal the judgement to the Supreme Court. As it is currently unable to predict the final decision of the lawsuit, the Company has not recognized any provision based on the aforementioned policy.

(Contracts and Legal Compliance)

In response to a question raised that our consolidated subsidiary Optos Plc sold refurbished products and new products without distinction, we are conducting an internal investigation with the cooperation of the external organizations, as well as our own internal review. With respect to potential violations and breaches of legal, regulatory and contractual requirements in the United States, we have set aside a provision of 1,473 million yen for any compensation, penalties or other sanction. As a result of the review up to this point, we have not found any quality, sales or marketing or other issues that have caused us to increase this provision.

Depending on the future progress of the investigation and our review, there is a possibility that our consolidated performance would be affected in case where payment to each regulatory authority and compensation to customers, etc., will occur; however, we think that it is difficult to reasonably estimate the effect at this moment.

In regard to any other cases, no significant impact on the Company's consolidated performance and financial position is expected at this point in time.