



February 5, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 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 Nine Months Ended December 31, 2025 (From April 1, 2025 to December 31, 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	%
Nine months ended December 31, 2025	483,908	(5.6)	(103,632)	–	(101,856)	–	(87,216)	–	(45,366)	–
Nine months ended December 31, 2024	512,671	(3.1)	8,110	(76.4)	10,848	(70.0)	6,262	(74.9)	21,336	(65.4)

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Nine months ended December 31, 2025	(265.03)	(265.03)
Nine months ended December 31, 2024	18.11	18.02

(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 December 31, 2025	1,099,827	577,623	576,222	52.4
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	–	25.00	–		
Fiscal year ending March 31, 2026 (Planned)				15.00	40.00

Note: Revision of cash dividend forecast from the latest announcement: Yes

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
Fiscal year ending March 31, 2026	675,000	(5.6)	(100,000)	—	(98,000)	—	(85,000)	—	(258.29)

Note: Revision of forecast from the latest announcement: Yes

4. Others

(1) Significant Changes in the Scope of Consolidation during the Period: Yes

Newly included: —

Excluded: 2 companies (Nikon Metrology NV and 1 other company)

(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 December 31, 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 December 31, 2025 4,418,018 shares

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

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

Nine months ended December 31, 2025 329,081,367 shares

Nine months ended December 31, 2024 345,825,051 shares

* Review by certified public accountants or an auditing firm on the Japanese-language originals of the attached quarterly consolidated financial statements: Yes (voluntary)

* Appropriate use of business forecasts; other special items

Performance forecasts 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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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. In the semiconductor-related field, although demand for AI-related semiconductors remained firm, demand for other devices was sluggish.

In the Healthcare Business, the life science solutions field faced sluggish market conditions in certain regions, particularly in the Americas, against the backdrop of their political and economic environments. Meanwhile, the eye care solutions field continued to see a recovery in market conditions, particularly in the Americas, and current performance has remained steady.

In the Components Business, the Industrial Solutions Business was in 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 defense and space fields continued to lead the market in the metal additive manufacturing field.

Under these circumstances, during the nine months ended December 31, 2025, revenue decreased 28,763 million yen (5.6%) year on year to 483,908 million yen. In terms of profit, we recorded impairment losses on non-financial assets in the Digital Manufacturing Business. As a result, operating loss was 103,632 million yen (compared with operating profit of 8,110 million yen in the same period of the previous fiscal year), loss before tax was 101,856 million yen (compared with profit before tax of 10,848 million yen in the same period of the previous fiscal year), and loss attributable to owners of parent was 87,216 million yen (compared with profit attributable to owners of parent of 6,262 million yen in the same period of the previous fiscal year). As for the recording of the impairment losses, please refer to 2. Quarterly Condensed Consolidated Financial Statements, (5) Notes to Quarterly Condensed Consolidated Financial Statements, (Impairment Losses on Non-Financial Assets).

Performance by segment is as follows.

In the Imaging Products Business, sales were led by NIKON's first digital cinema camera the ZR. However, the business segment recorded year-on-year decreases in both revenue and profit, reflecting a decline in average selling prices due to changes in the product mix and higher promotion expenses amid intensifying competitive environment, as well as the effects of foreign exchange movements, tariffs, and other factors.

In the Precision Equipment Business, unit sales of systems in the FPD lithography systems field and unit sales of ArF immersion lithography systems in the semiconductor lithography system field decreased. Meanwhile, the business segment as a whole recorded a year-on-year decrease in revenue but an increase in profit, reflecting an improved product mix in system sales in the FPD lithography systems field, as well as the recording of a gain on sale of the R&D business related to semiconductor wafer bonding technology.

In the Healthcare Business, the life science solutions field was adversely affected by sluggish sales to academic customers in the United States. This, combined with tariff impacts in the life science solutions and eye care solutions fields and increased provisions for certain transactions in the eye care solutions field, 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 robust sales of Video Measuring Systems for electronic components and semiconductors, and optical parts and optical components. Partly reflecting the effects of structural reforms related to the Industrial Metrology Business, the absence of one-time expenses recorded during the nine months ended December 31, 2024, and improved profitability resulting from changes in the product mix, the Industrial Solutions Business recorded year-on-year increases in both revenue and profit. The Customized Products Business, which also belongs to this business segment, recorded year-on-year decreases in both revenue and profit as sales of EUV-related components were adversely affected by a slowdown in the EUV-related markets. As a result of these factors, this 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. Additionally, as described above, the Group recorded impairment losses on non-financial assets, resulting in a wider operating loss.

(2) Qualitative Information on Consolidated Financial Position

The balance of total assets as of December 31, 2025 decreased by 10,687 million yen from the end of the previous fiscal year to 1,099,827 million yen. This was mainly due to decreases of 71,289 million yen in goodwill and intangible assets, and 9,792 million yen in trade and other receivables, despite increases of 44,123 million yen in inventories, 9,667 million yen in deferred tax assets, 8,958 million yen in other current assets owing mainly to an increase in accounts receivable – other, and 7,160 million yen in property, plant and equipment and right-of-use assets.

The balance of total liabilities as of December 31, 2025 increased by 50,913 million yen from the end of the previous fiscal year to 522,204 million yen. This was mainly due to increases of 50,501 million yen in bonds and borrowings, and 6,676 million yen in advances received, despite a decrease of 7,018 million yen in deferred tax liabilities.

The balance of total equity as of December 31, 2025 decreased by 61,600 million yen from the end of the previous fiscal year to 577,623 million yen. This was mainly due to a decrease of 104,676 million yen in retained earnings resulting from the recording of loss attributable to owners of the parent and dividends paid, despite an increase of 42,367 million yen in other components of equity primarily as a result of an increase in exchange differences on translation of foreign operations.

During the nine months ended December 31, 2025, for the cash flows from operating activities, net cash of 14,770 million yen was used (39,660 million yen provided in the same period of the previous fiscal year). This was mainly attributable to the recording of loss before tax, an increase in inventories, a decrease in trade and other payables, despite the recording of depreciation and amortization of 32,446 million yen and impairment losses of 90,627 million yen.

For the cash flows from investing activities, net cash of 28,067 million yen was used (51,115 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 of 38,710 million yen, despite proceeds from sale of investment securities of 8,113 million yen and proceeds from sale of businesses of 3,000 million yen.

For the cash flows from financing activities, net cash of 27,322 million yen was provided (34,300 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 51,066 million yen and proceeds from long-term borrowings of 10,000 million yen, despite cash dividends paid of 16,307 million yen, redemption of bonds of 10,000 million yen, and repayments of lease liabilities of 5,969 million yen.

As a result of an increase of 9,842 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 December 31, 2025 decreased by 5,672 million yen from the end of the previous fiscal year to 157,917 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, while the digital camera market is expected to remain solid over the medium to long term, the near-term environment reflects a downward shift in the product mix. In addition, price increases resulting from tariff effects are having an impact, and certain growing markets are showing signs of losing momentum.

In the Precision Equipment Business, capital investments for mid-to-small size panels in the field related to FPDs have remained firm, while in capital investments for large-size panels, growth in the organic LED market is expected. Meanwhile, we expect that the fields related to semiconductors will recover in the fiscal year ending March 31, 2027 or later.

In the Healthcare Business, we need to continue 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, although the metal additive manufacturing market is expected to remain flat overall, demand for large-size equipment will increase. Accordingly, the defense and space fields are expected to lead the continuous growth mainly in the United States.

The consolidated financial forecasts for the year ending March 31, 2026 announced on November 6, 2025 have been revised as below. Regarding the consolidated financial forecast for the year ending March 31, 2026, in addition to downward revisions to sales outlooks in the Imaging Products Business, the Healthcare Business, and the Digital Manufacturing Business, the Company has factored in impairment losses on non-financial assets in the Digital Manufacturing Business and expected inventory write-downs in the Precision Equipment Business. As a result, revenue, operating profit, profit before tax and profit attributable to owners of parent have each been revised downward.

Revised Consolidated Financial Forecast of the 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)	680,000	14,000	16,000	20,000	60.78
Revised Forecast (B)	675,000	(100,000)	(98,000)	(85,000)	(258.29)
Difference (B-A)	(5,000)	(114,000)	(114,000)	(105,000)	
Change (%)	(0.7)	—	—	—	
(Reference) Results for the Year ended March 31, 2025	715,285	2,422	4,533	6,123	17.86

(Note) As for the exchange rate assumptions for the fourth quarter, the Company has revised its previous assumptions of 1 USD = ¥145 and 1 EUR = ¥170 to 1 USD = ¥150 and 1 EUR = ¥175.

2. Quarterly Condensed Consolidated Financial Statements

(1) Quarterly Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025	Changes
ASSETS			
Current assets			
Cash and cash equivalents	163,590	157,917	(5,672)
Trade and other receivables	125,441	115,649	(9,792)
Inventories	307,533	351,655	44,123
Other current financial assets	3,116	2,757	(359)
Other current assets	20,540	29,498	8,958
Total current assets	620,220	657,477	37,257
Non-current assets			
Property, plant and equipment	146,473	153,401	6,928
Right-of-use assets	18,752	18,984	232
Goodwill and intangible assets	165,462	94,173	(71,289)
Retirement benefit asset	13,998	15,042	1,044
Investments accounted for using equity method	10,068	12,822	2,754
Other non-current financial assets	76,111	78,686	2,575
Deferred tax assets	58,614	68,281	9,667
Other non-current assets	817	961	144
Total non-current assets	490,294	442,350	(47,944)
Total assets	1,110,514	1,099,827	(10,687)

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025	Changes
LIABILITIES / EQUITY			
LIABILITIES			
Current liabilities			
Trade and other payables	82,200	80,055	(2,144)
Bonds and borrowings	71,413	127,161	55,747
Income taxes payable	5,474	4,569	(904)
Advances received	68,157	74,833	6,676
Provisions	5,756	8,484	2,729
Other current financial liabilities	31,814	31,627	(188)
Other current liabilities	40,731	41,652	921
Total current liabilities	305,545	368,382	62,837
Non-current liabilities			
Bonds and borrowings	122,157	116,910	(5,246)
Retirement benefit liability	7,897	8,826	929
Provisions	6,521	5,139	(1,382)
Deferred tax liabilities	11,347	4,328	(7,018)
Other non-current financial liabilities	13,480	13,760	280
Other non-current liabilities	4,345	4,858	514
Total non-current liabilities	165,746	153,822	(11,924)
Total liabilities	471,291	522,204	50,913
EQUITY			
Share capital	65,476	65,476	—
Treasury shares	(7,761)	(7,207)	554
Other components of equity	67,147	109,513	42,367
Retained earnings	513,115	408,439	(104,676)
Equity attributable to owners of parent	637,977	576,222	(61,755)
Non-controlling interests	1,246	1,401	155
Total equity	639,223	577,623	(61,600)
Total liabilities and equity	1,110,514	1,099,827	(10,687)

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

Quarterly Condensed Consolidated Statement of Profit or Loss

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)		Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)		Changes
	(Millions of yen)	Ratio to revenue (%)	(Millions of yen)	Ratio to revenue (%)	(Millions of yen)
Revenue	512,671	100.0	483,908	100.0	(28,763)
Cost of sales	(282,695)	(55.1)	(284,849)	(58.9)	(2,154)
Gross profit	229,976	44.9	199,059	41.1	(30,917)
Selling, general and administrative expenses	(220,152)		(212,141)		8,011
Other operating income	1,802		5,183		3,381
Other operating expenses	(3,515)		(95,732)		(92,217)
Operating profit (loss)	8,110	1.6	(103,632)	(21.4)	(111,742)
Finance income	5,753		7,766		2,012
Finance costs	(5,366)		(8,591)		(3,225)
Share of profit of investments accounted for using equity method	2,350		2,601		251
Profit (loss) before tax	10,848	2.1	(101,856)	(21.0)	(112,704)
Income tax expense	(4,535)		14,686		19,221
Profit (loss) for the period	6,313	1.2	(87,170)	(18.0)	(93,483)
Profit (loss) attributable to:					
Owners of parent	6,262	1.2	(87,216)	(18.0)	(93,478)
Non-controlling interests	51		46		(5)
Profit (loss) for the period	6,313	1.2	(87,170)	(18.0)	(93,483)
Earnings (loss) per share:					
Basic earnings (loss) per share (Yen)	18.11		(265.03)		
Diluted earnings (loss) per share (Yen)	18.02		(265.03)		

Quarterly Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)	Changes
Profit (loss) for the period	6,313	(87,170)	(93,483)
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	(2,324)	8,194	10,518
Share of other comprehensive income of investments accounted for using equity method	(3)	5	8
Total of items that will not be reclassified subsequently to profit or loss	(2,327)	8,199	10,526
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	17,046	33,347	16,302
Effective portion of cash flow hedges	128	(17)	(145)
Share of other comprehensive income of investments accounted for using equity method	176	275	99
Total of items that may be reclassified subsequently to profit or loss	17,349	33,605	16,256
Other comprehensive income, net of taxes	15,023	41,804	26,782
Total comprehensive income for the period	21,336	(45,366)	(66,701)
Comprehensive income attributable to:			
Owners of parent	21,270	(45,538)	(66,808)
Non-controlling interests	66	172	107
Total comprehensive income for the period	21,336	(45,366)	(66,701)

(3) Quarterly Condensed Consolidated Statement 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 (loss) for the period	—	—	—	—	—
Other comprehensive income	—	—	—	(2,310)	173
Total comprehensive income for the period	—	—	—	(2,310)	173
Dividends	—	—	—	—	—
Purchase and disposal of treasury shares	—	(13)	(12,163)	—	—
Share-based payment transactions	—	(114)	313	—	—
Incorporation of new subsidiaries	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(3,217)	—
Total transactions with owners	—	(126)	(11,850)	(3,217)	—
As of December 31, 2024	65,476	770	(19,147)	13,438	(884)

As of April 1, 2025	65,476	—	(7,761)	11,909	(929)
Profit (loss) for the period	—	—	—	—	—
Other comprehensive income	—	—	—	8,146	280
Total comprehensive income for the period	—	—	—	8,146	280
Dividends	—	—	—	—	—
Purchase and disposal of treasury shares	—	(0)	(2)	—	—
Share-based payment transactions	—	(340)	556	—	—
Incorporation of new subsidiaries	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	340	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	689	—
Total transactions with owners	—	—	554	689	—
As of December 31, 2025	65,476	—	(7,207)	20,743	(648)

(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 (loss) for the period	—	—	—	6,262	6,262	51	6,313
Other comprehensive income	17,016	128	15,008	—	15,008	15	15,023
Total comprehensive income for the period	17,016	128	15,008	6,262	21,270	66	21,336
Dividends	—	—	—	(17,328)	(17,328)	(42)	(17,370)
Purchase and disposal of treasury shares	—	—	—	—	(12,175)	—	(12,175)
Share-based payment transactions	—	—	—	—	199	—	199
Incorporation of new subsidiaries	—	—	—	—	—	4	4
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(3,217)	3,217	—	—	—
Total transactions with owners	—	—	(3,217)	(14,110)	(29,304)	(38)	(29,342)
As of December 31, 2024	75,143	(30)	87,666	540,995	675,761	1,325	677,085

As of April 1, 2025	55,966	201	67,147	513,115	637,977	1,246	639,223
Profit (loss) for the period	—	—	—	(87,216)	(87,216)	46	(87,170)
Other comprehensive income	33,269	(17)	41,678	—	41,678	126	41,804
Total comprehensive income for the period	33,269	(17)	41,678	(87,216)	(45,538)	172	(45,366)
Dividends	—	—	—	(16,450)	(16,450)	(26)	(16,475)
Purchase and disposal of treasury shares	—	—	—	—	(2)	—	(2)
Share-based payment transactions	—	—	—	—	215	—	215
Incorporation of new subsidiaries	—	—	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	28	28
Transfer from retained earnings to capital surplus	—	—	—	(340)	—	—	—
Transfer from other components of equity to retained earnings	—	—	689	(669)	19	(19)	—
Total transactions with owners	—	—	689	(17,459)	(16,217)	(17)	(16,234)
As of December 31, 2025	89,235	184	109,513	408,439	576,222	1,401	577,623

(4) Quarterly Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)
Cash flows from operating activities:		
Profit (loss) before tax	10,848	(101,856)
Depreciation and amortization	33,192	32,446
Impairment losses	1,496	90,627
Interest and dividend income	(4,512)	(4,581)
Share of (profit) loss of investments accounted for using equity method	(2,350)	(2,601)
Losses (gains) on sale of property, plant and equipment	(30)	(117)
Interest expenses	2,105	2,524
Decrease (increase) in trade and other receivables	20,845	16,058
Decrease (increase) in inventories	(37,400)	(30,487)
Increase (decrease) in trade and other payables	(2,572)	(6,483)
Increase (decrease) in advances received	20,340	4,406
Increase (decrease) in provisions	(3,098)	285
Others, net	5,344	(8,033)
Subtotal	44,209	(7,813)
Interest and dividend income received	4,789	4,683
Interest expenses paid	(2,192)	(2,457)
Income taxes refund (paid)	(7,147)	(9,183)
Net cash provided by (used in) operating activities	39,660	(14,770)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(37,549)	(24,611)
Proceeds from sale of property, plant and equipment	441	306
Purchase of intangible assets	(12,715)	(14,099)
Purchase of investment securities	(691)	(1,328)
Proceeds from sale of investment securities	7,313	8,113
Proceeds from redemption of investment securities	4,000	—
Acquisition of subsidiaries or other businesses	(12,459)	—
Proceeds from sale of businesses	—	3,000
Others, net	545	552
Net cash provided by (used in) investing activities	(51,115)	(28,067)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(39,243)	51,066
Proceeds from long-term borrowings	64,489	10,000
Repayments of long-term borrowings	(33,765)	(1,364)
Redemption of bonds	—	(10,000)
Repayments of lease liabilities	(6,953)	(5,969)
Cash dividends paid	(17,158)	(16,307)
Cash dividends paid to non-controlling interests	(42)	(26)
Purchase of treasury shares	(12,163)	(2)
Proceeds from settlement of derivatives	10,648	—
Others, net	(112)	(76)
Net cash provided by (used in) financing activities	(34,300)	27,322
Effect of exchange rate changes on cash and cash equivalents	4,032	9,842
Net increase (decrease) in cash and cash equivalents	(41,723)	(5,672)
Cash and cash equivalents at beginning of the period	206,644	163,590
Cash and cash equivalents at end of the period	164,920	157,917

(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 Nine Months Ended December 31, 2024 (From April 1, 2024 to December 31, 2024)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total	Reconciliation (Note 2)	Consolidated
Revenue									
External customers	235,680	124,975	81,598	49,025	18,265	3,127	512,671	–	512,671
Intersegment	1,844	143	110	6,612	307	70,709	79,725	(79,725)	–
Total	237,524	125,118	81,708	55,638	18,572	73,836	592,396	(79,725)	512,671
Segment profit (loss) (Note 3)	43,849	(699)	2,183	3,651	(10,201)	730	39,513	(31,402)	8,110
Finance income									5,753
Finance costs									(5,366)
Shares of profit of investments accounted for using equity method									2,350
Profit (loss) before tax									10,848
Other items:									
Impairment losses (Note 4)	–	–	–	425	–	–	425	1,071	1,496

- 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 1,761 million yen and corporate profit (loss) of (33,163) million yen that cannot be attributed to any segments. The main components of corporate profit (loss) include expenses related to investment for growth of (15,098) million yen, which are related to basic research, creation of new business, and manufacturing innovation, and expenses for administration departments of (18,066) 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.
3. Segment profit (loss) includes restructuring costs recognized in “Other operating expenses” reported in the quarterly condensed consolidated statement of profit or loss, consisting of (798) million yen for the Components Business and (1,333) million yen for corporate profit (loss) that cannot be attributed to any segments.
4. The main components of impairment losses are described in “(Impairment Losses on Non-financial Assets).”

For the Nine Months Ended December 31, 2025 (From April 1, 2025 to December 31, 2025)

(Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total	Reconciliation (Note 2)	Consolidated
Revenue									
External customers	229,081	104,611	79,031	51,805	16,661	2,718	483,908	—	483,908
Intersegment	1,026	165	129	6,527	65	63,742	71,653	(71,653)	—
Total	230,107	104,776	79,160	58,332	16,727	66,460	555,560	(71,653)	483,908
Segment profit (loss) (Note 3)	20,940	628	(687)	6,645	(103,415)	(1,555)	(77,444)	(26,188)	(103,632)
Finance income									7,766
Finance costs									(8,591)
Shares of profit of investments accounted for using equity method									2,601
Profit (loss) before tax									(101,856)
Other items:									
Impairment losses (Note 4)	—	—	—	—	90,627	—	90,627	—	90,627

- 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 (414) million yen and corporate profit (loss) of (25,774) million yen that cannot be attributed to any segments. The main components of corporate profit (loss) include expenses related to investment for growth of (12,680) million yen, which are related to basic research, creation of new business, and manufacturing innovation, and expenses for administration departments of (13,095) 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.
3. Segment profit (loss) includes restructuring costs recognized in “Other operating expenses” reported in the quarterly condensed consolidated statement of profit or loss, consisting of (896) million yen for the Precision Equipment Business, (34) million yen for the Components Business, (441) million yen for Others, and (811) million yen for corporate profit (loss) that cannot be attributed to any segments.
4. The main components of impairment losses are described in “(Impairment Losses on Non-financial Assets).”

(Impairment Losses on Non-financial Assets)

As a result of impairment testing, the Group recognized impairment losses of 1,496 million yen and 90,627 million yen for the nine months ended December 31, 2024 and December 31, 2025, respectively. These impairment losses are included in “Other operating expenses” in the quarterly condensed consolidated statement of profit or loss. Impairment losses by asset are as follows.

	(Millions of yen)	
	Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)	Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)
Property, plant and equipment	1,045	3,734
Right-of-use assets	—	51
Intangible assets	451	26,274
Goodwill	—	60,568
Other	—	1
Total	1,496	90,627

During the nine months ended December 31, 2024, the Company reorganized its foreign subsidiaries and its bases and reduced the carrying amount of their non-current assets with no prospect of specific use to their recoverable amount. The reduction was recognized as impairment losses of 425 million yen for the Components Business and 1,071 million yen for corporate profit (loss) that cannot be attributed to any segments. The recoverable amount was determined mainly based on the fair value less costs of disposal.

The impairment losses are recognized as restructuring costs. For more information about restructuring costs, please see “(Restructuring Costs).”

During the nine months ended December 31, 2025, the Company reduced the carrying amount of its non-current assets to their recoverable amounts, as the revenue initially anticipated was no longer expected to be realized against a backdrop of a decline in the expected future growth rate and intensifying competitive environment in the metal 3D printer market. The resulting reduction was recognized as impairment losses of 90,627 million yen in the Digital Manufacturing Business. The recoverable amounts were determined mainly based on value in use.

The impairment losses include goodwill of 60,568 million yen and identifiable intangible assets of 26,244 million yen related to Nikon SLM Solutions AG.

(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 Nine Months Ended December 31, 2024 (From April 1, 2024 to December 31, 2024) (Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total
Japan	24,659	10,662	9,844	24,105	467	1,276	71,014
United States	59,097	13,531	39,408	11,302	9,611	0	132,948
Europe (Note 2)	45,965	14,679	15,015	4,560	6,931	65	87,214
China	55,260	47,931	7,314	2,665	23	1,567	114,759
Others (Note 2)	50,699	38,173	10,017	6,394	1,233	218	106,735
Total	235,680	124,975	81,598	49,025	18,265	3,127	512,671

- 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 Nine Months Ended December 31, 2025 (From April 1, 2025 to December 31, 2025) (Millions of yen)

	Imaging Products	Precision Equipment	Healthcare	Components	Digital Manufacturing	Others (Note 1)	Total
Japan	21,610	11,164	10,221	24,932	659	1,259	69,845
United States	51,560	13,908	34,782	10,197	9,360	—	119,807
Europe (Note 2)	45,000	14,437	16,481	4,889	5,653	82	86,543
China	58,953	50,502	7,473	5,081	1	1,170	123,180
Others (Note 2)	51,958	14,600	10,074	6,706	989	207	84,533
Total	229,081	104,611	79,031	51,805	16,661	2,718	483,908

- 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

(Gain on Sale of Business)

During the nine months ended December 31, 2025, the Company sold its R&D business related to semiconductor wafer bonding technology and recorded 2,978 million yen of gain on sale of business in the Precision Equipment Business. The gain is included in “Other operating income” in the quarterly condensed consolidated statement of profit or loss.

(Restructuring Costs)

During the nine months ended December 31, 2024, the Company reorganized its foreign subsidiaries and its bases and recognized restructuring costs of 798 million yen for the Components Business and 1,333 million yen for corporate profit (loss) that cannot be attributed to any segments. The costs are included in “Other operating expenses” in the quarterly condensed consolidated statement of profit or loss.

(Millions of yen)

Details	Amount
Impairment losses	1,496
Extra retirement payments and other	395
Expenses related to outside specialists	166
Others	74
Total	2,132

During the nine months ended December 31, 2025, the Company has been optimizing the service centers of the Precision Equipment Business and reorganizing its foreign subsidiaries and its bases. Accordingly, the Company recognized restructuring costs mainly as follows: 896 million yen for the Precision Equipment Business, and 811 million yen for corporate profit (loss) that cannot be attributed to any segments. The costs are included in “Other operating expenses” in the quarterly condensed consolidated statement of profit or loss.

(Millions of yen)

Details	Amount
Extra retirement payments and other	1,005
Expenses related to outside specialists	387
Others	790
Total	2,181

(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 the Company's consolidated subsidiary, Optos Plc, sold refurbished products and new products without distinction, the Company conducted an internal investigation with the cooperation of the external organizations, as well as its own internal review. With respect to potential violations and breaches of legal, regulatory and contractual requirements in the United States, the Company has recorded a provision of 3,056 million yen for possible compensation, penalties or other sanction. As a result of the review conducted to date, the Company has not found any quality, sales or marketing or other issues that have caused the Company to increase the provision.

Depending on the future progress of the investigation and the Company's review, there is a possibility that its consolidated performance would be affected in case where payments to regulatory authorities and compensation to customers, etc., exceeding the above provision will occur. However, the Company is unable to reasonably estimate the potential financial impact at this stage.

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.