



# Financial results for the 3rd quarter of the year ending March 31, 2024

February 8, 2024

1. Financial results for the 3rd quarter of the year ending March 31, 2024
2. Forecast for the year ending March 31, 2024

# 3rd quarter of the year ending March 31, 2024: Summary



## Q1 to Q3 actual (YoY)

- Revenue : ¥528.9B (Up ¥72.9B YoY)
- Operating profit : ¥ 34.4B (Down ¥ 16.2B YoY)
- Profit attributable to owners of parent : ¥ 24.9B (Down ¥ 14.5B YoY)
- Revenue grew on strong sales in the Imaging Products Business, increased sales volumes of ArF lithography systems, and consolidation of SLM in the Digital Manufacturing Business.
- Operating profit down due to lower sales volumes of FPD lithography systems, the effects of reduced revenue in the Components Business, and increased expenses resulting from the SLM acquisition, etc.

## Q3 actual (YoY)

- Revenue : ¥197.7B (Up ¥30.0B YoY)
- Operating profit : ¥ 20.8B (Down ¥ 5.4B YoY)
- Profit attributable to owners of parent : ¥ 15.1B (Down ¥ 5.5B YoY)
- Revenue grew on strong sales in the Imaging Products Business, increased sales volumes of semiconductor and FPD lithography systems, and consolidation of SLM in the Digital Manufacturing Business.
- Operating profit down due to one-time costs in the Healthcare Business and increased expenses resulting from the SLM acquisition, etc.

Note: Amounts in this statement are rounded down to the hundred millions of yen.

# 1st to 3rd quarters of the year ending March 31, 2024: Financial Highlights



Billions of Yen	FY2023/3 Q1-Q3	FY2024/3 Q1-Q3	Change	
	Actual (A)	Actual (B)	Amount (B)-(A)	% (B)/(A)
<b>Revenue</b>	456.0	<b>528.9</b>	+72.9	+16.0%
<b>Operating profit</b>	50.6	<b>34.4</b>	-16.2	-32.0%
% vs Revenue	11.1%	<b>6.5%</b>	-4.6P	
<b>Profit before tax</b>	52.3	<b>36.2</b>	-16.1	-30.8%
% vs Revenue	11.5%	<b>6.8%</b>	-4.7P	
<b>Profit attributable to owners of parent</b>	39.4	<b>24.9</b>	-14.5	-36.7%
% vs Revenue	8.7%	<b>4.7%</b>	-4.0P	
<b>FCF</b>	-22.4	<b>-2.2</b>	+20.2	-
Exchange Rate: US\$	¥136	<b>¥143</b>	Impact on Revenue +17.5	
EURO	¥141	<b>¥155</b>	Impact on Operating profit +3.2	

Q3 (3 months) FCF turned positive, reducing the cumulative (9 months) FCF deficit, on improved working capital, the sale of investment securities, and the like.

# 1st to 3rd quarters of the year ending March 31, 2024: Performance by Segment



Billions of Yen		FY2023/3 Q1-Q3 Actual (A)	FY2024/3 Q1-Q3 Actual (B)	Change	
				Amount (B)-(A)	% (B)/(A)
<b>Imaging Products Business</b>	Revenue	184.4	<b>221.9</b>	+37.5	+20.4%
	Operating profit	41.2	<b>42.9</b>	+1.7	+4.2%
	% vs Revenue	22.4%	<b>19.4%</b>	-3.0P	
<b>Precision Equipment Business</b>	Revenue	133.5	<b>154.5</b>	+21.0	+15.7%
	Operating profit	14.3	<b>11.1</b>	-3.2	-22.7%
	% vs Revenue	10.8%	<b>7.2%</b>	-3.6P	
<b>Healthcare Business</b>	Revenue	72.1	<b>76.8</b>	+4.7	+6.5%
	Operating profit	7.2	<b>2.9</b>	-4.3	-59.8%
	% vs Revenue	10.1%	<b>3.8%</b>	-6.3P	
<b>Components Business</b>	Revenue	37.4	<b>32.3</b>	-5.1	-13.6%
	Operating profit	15.7	<b>11.6</b>	-4.1	-25.9%
	% vs Revenue	42.1%	<b>36.1%</b>	-6.0P	
<b>Digital Manufacturing Business</b>	Revenue	26.0	<b>40.9</b>	+14.9	+57.1%
	Operating profit	-3.8	<b>-12.8</b>	-9.0	-
	% vs Revenue	-14.7%	<b>-31.3%</b>	-16.6P	
<b>Others</b> (incl. Corporate expenses, etc.)	Revenue	2.5	<b>2.3</b>	-0.2	-7.3%
	Operating profit	-24.2	<b>-21.4</b>	+2.8	-
<b>Consolidated</b>	Revenue	456.0	<b>528.9</b>	+72.9	+16.0%
	Operating profit	50.6	<b>34.4</b>	-16.2	-32.0%
	% vs Revenue	11.1%	<b>6.5%</b>	-4.6P	

Operating profit declined YoY in all segments except for the Imaging Products Business.

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

# 3rd quarter of the year ending March 31, 2024: Imaging Products Business



Billions of Yen	FY2023/3 Actual		FY2024/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
<b>Revenue</b>	69.9	184.4	<b>84.3</b>	<b>221.9</b>	+14.4	+37.5
<b>Operating profit</b>	19.0	41.2	<b>17.7</b>	<b>42.9</b>	-1.3	+1.7
% vs Revenue	27.2%	22.4%	<b>21.1%</b>	<b>19.4%</b>	-6.1P	-3.0P
<b>Digital Camera- Interchangeable Lens type (units: 1,000)</b>	210	580	<b>250</b>	<b>640</b>	+40	+60
<b>Interchangeable Lens (units: 1,000)</b>	320	930	<b>370</b>	<b>980</b>	+50	+50

- **Q1 to Q3 YoY:** Both revenue and operating profit grew. Sales volumes of mirrorless cameras, mainly the Z 8 and the Z f, and interchangeable lens of mirrorless cameras increased. ASP rose with the shift toward mid/high-end cameras. And the weaker yen helped. In Q3 (3 months), secured an operating margin of over 20%.

# 3rd quarter of the year ending March 31, 2024: Precision Equipment Business



Billions of Yen	FY2023/3 Actual		FY2024/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
Revenue	50.2	133.5	<b>58.5</b>	<b>154.5</b>	+8.3	+21.0
Operating profit	8.1	14.3	<b>7.9</b>	<b>11.1</b>	-0.2	-3.2
% vs Revenue	16.2%	10.8%	<b>13.5%</b>	<b>7.2%</b>	-2.7P	-3.6P
FPD Lithography Systems (units)	6	19	<b>7</b>	<b>11</b>	+1	-8
Semiconductor Lithography Systems New/Refurbised (units)	6/4	14/12	<b>11/1</b>	<b>22/4</b>	+5/-3	+8/-8

- **Q1 to Q3 YoY:** Revenue grew on increased sales volumes of ArF lithography systems and the booking in Q3 of 3 units of FPD lithography systems for large panels. Operating profit declined on lower volumes of FPD lithography systems sold in Q3 YTD, and lower service revenue.

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

# 3rd quarter of the year ending March 31, 2024: Healthcare Business



Billions of Yen	FY2023/3 Actual		FY2024/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
<b>Revenue</b>	25.5	72.1	<b>25.6</b>	<b>76.8</b>	+0.1	+4.7
<b>Operating profit</b>	3.6	7.2	<b>0.2</b>	<b>2.9</b>	-3.4	-4.3
% vs Revenue	14.1%	10.1%	<b>0.6%</b>	<b>3.8%</b>	-13.5P	-6.3P

- Q1 to Q3 YoY:** Q3 (3 months) revenue grew on increased sales in North America and China in Life Science Solutions, despite some delays in booking sales due to parts procurement issues. The weaker yen also helped. Operating profit declined due to higher parts prices and one-time costs such as disposal and write-down of inventory, a provision (-¥1.4B) booked in Q2 in Eye Care Solutions, and survey costs related to the provision.



# 3rd quarter of the year ending March 31, 2024: Components Business



Billions of Yen	FY2023/3 Actual		FY2024/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
<b>Revenue</b>	11.8	37.4	<b>13.6</b>	<b>32.3</b>	+1.8	-5.1
<b>Operating profit</b>	4.4	15.7	<b>5.7</b>	<b>11.6</b>	+1.3	-4.1
% vs Revenue	37.7%	42.1%	<b>42.4%</b>	<b>36.1%</b>	+4.7P	-6.0P

- **Q1 to Q3 YoY:** Revenue and operating profit declined on lower demand for optical parts due to lower utilization rates at semiconductor device makers and reduced sales of encoders and non-semiconductor customized products. Q3 (3 months) results were in line with plan.

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

# 3rd quarter of the year ending March 31, 2024: Digital Manufacturing Business



Billions of Yen	FY2023/3 Actual		FY2024/3 Actual		Change	
	Q3 (A)	Q1-Q3 (B)	Q3 (C)	Q1-Q3 (D)	(C)-(A)	(D)-(B)
<b>Revenue</b>	9.8	26.0	<b>14.8</b>	<b>40.9</b>	+5.0	+14.9
<b>Operating profit</b>	-1.0	-3.8	<b>-3.3</b>	<b>-12.8</b>	-2.3	-9.0
% vs Revenue	-9.5%	-14.7%	<b>-22.0%</b>	<b>-31.3%</b>	-12.5P	-16.6P

- **Q1 to Q3 YoY:** Revenues were up with the consolidation of SLM. However, operating profit was down on SLM's operating loss and intangible-asset amortization costs resulting from the SLM acquisition, as well as increased upfront investments in the Industrial Metrology Business and higher expenses due to the weaker yen. Operating loss decreased from Q2 (-¥4.8B) in Q3 due to increased sales at SLM.

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

1. Financial results for the 3rd quarter of the year ending March 31, 2024

2. Forecast for the year ending March 31, 2024

# Forecast for the year ending March 31, 2024: Summary



## Revenue

- **Company total forecast: ¥705.0B** (Revised upward ¥15.0B vs. previous forecast)
  - Precision Equipment to revise upward ¥13.0B mainly due to increased sales volumes of FPD lithography systems.
  - Healthcare to revise upward ¥2.0B to reflect strong sales in Life Science Solutions and the effects of a weaker yen in Q3.

## Operating profit

- **Company total forecast: ¥ 36.0B** (Revised upward ¥2.0B vs. previous forecast)
  - Imaging Products to revise upward ¥1.0B to reflect the effects of a weaker yen in Q3.
  - Precision Equipment to revise upward ¥4.0B mainly due to increased revenues in the FPD Lithography Business.
  - Healthcare to revise downward ¥3.0B on one-time costs, etc.

## Profit attributable to owners of parent

- **Company total forecast: ¥ 27.0B** (Unchanged from previous forecast)

## Shareholder returns

- **Dividends: year-end ¥25, annual ¥50** (Unchanged from previous forecast)

## Exchange rate

- **US\$ ¥143, EURO ¥154** (Unchanged previous forecast for Q4: US\$ ¥140, EURO ¥150)

# Forecast for the year ending March 31, 2024: Financial Highlights



Billions of Yen	FY2023/3 Actual (A)	Previous Forecast (Nov. 9) (B)	New Forecast (Feb. 8) (C)	Change (C)-(A)	Change (C)-(B)
<b>Revenue</b>	628.1	690.0	<b>705.0</b>	+76.9	+15.0
<b>Operating profit</b>	54.9	34.0	<b>36.0</b>	-18.9	+2.0
% vs Revenue	8.7%	4.9%	<b>5.1%</b>	-3.6P	+0.2P
<b>Profit before tax</b>	57.0	37.0	<b>37.0</b>	-20.0	±0.0
% vs Revenue	9.1%	5.4%	<b>5.2%</b>	-3.9P	-0.2P
<b>Profit attributable to owners of parent</b>	44.9	27.0	<b>27.0</b>	-17.9	±0.0
% vs Revenue	7.2%	3.9%	<b>3.8%</b>	-3.4P	-0.1P
<b>ROE</b>	7.4%	4.2%	<b>4.2%</b>	-3.2P	±0.0P
<b>EPS</b>	¥125.46	¥77.96	<b>¥77.96</b>	-¥47.50	±¥0.00
<b>Annual Dividends</b>	¥45	¥50	<b>¥50</b>	+¥5	±¥0
Exchange Rate: US\$	¥135	¥141	<b>¥143</b>	Impact on Revenue	
				+21.6	+5.5
EURO	¥141	¥152	<b>¥154</b>	Impact on Operating profit	
				+4.1	+1.1

Note: The numbers of issued shares assumed for EPS forecast calculation: approx. 346.3M shares for both previous forecast (Nov. 9) and new forecast (Feb. 8).

# Forecast for the year ending March 31, 2024:

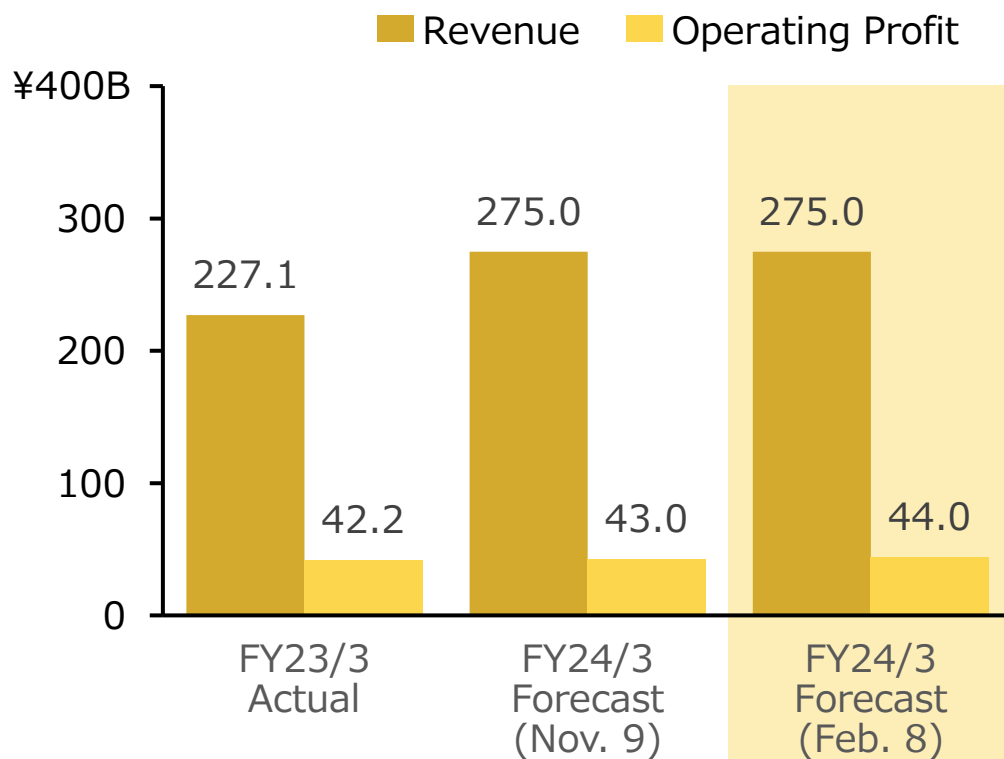
## Forecast by Segment



Billions of Yen		FY2023/3 Actual (A)	Previous Forecast (Nov. 9) (B)	New Forecast (Feb. 8) (C)	Change (C)-(A)	Change (C)-(B)
<b>Imaging Products Business</b>	Revenue	227.1	275.0	<b>275.0</b>	+47.9	±0.0
	Operating profit	42.2	43.0	<b>44.0</b>	+1.8	+1.0
	% vs Revenue	18.6%	15.6%	<b>16.0%</b>	-2.6P	+0.4P
<b>Precision Equipment Business</b>	Revenue	203.2	200.0	<b>213.0</b>	+9.8	+13.0
	Operating profit	24.5	8.0	<b>12.0</b>	-12.5	+4.0
	% vs Revenue	12.1%	4.0%	<b>5.6%</b>	-6.5P	+1.6P
<b>Healthcare Business</b>	Revenue	99.3	103.0	<b>105.0</b>	+5.7	+2.0
	Operating profit	11.5	9.5	<b>6.5</b>	-5.0	-3.0
	% vs Revenue	11.7%	9.2%	<b>6.2%</b>	-5.5P	-3.0P
<b>Components Business</b>	Revenue	53.0	47.0	<b>47.0</b>	-6.0	±0.0
	Operating profit	22.0	15.0	<b>15.0</b>	-7.0	±0.0
	% vs Revenue	41.6%	31.9%	<b>31.9%</b>	-9.7P	±0.0P
<b>Digital Manufacturing Business</b>	Revenue	42.0	62.0	<b>62.0</b>	+20.0	±0.0
	Operating profit	-10.1	-13.0	<b>-13.0</b>	-2.9	±0.0
	% vs Revenue	-24.1%	-21.0%	<b>-21.0%</b>	+3.1P	±0.0P
<b>Others</b> (incl. Corporate expenses, etc.)	Revenue	3.2	3.0	<b>3.0</b>	-0.2	±0.0
	Operating profit	-35.3	-28.5	<b>-28.5</b>	+6.8	±0.0
<b>Consolidated</b>	Revenue	628.1	690.0	<b>705.0</b>	+76.9	+15.0
	Operating profit	54.9	34.0	<b>36.0</b>	-18.9	+2.0
	% vs Revenue	8.7%	4.9%	<b>5.1%</b>	-3.6P	+0.2P

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

# Forecast for the year ending March 31, 2024: Imaging Products Business



- Revenue: Unchanged from previous forecast**  
**(Up ¥47.9B YoY)**

- DCIL market expansion driven mainly by China.
- Nikon's new products (the Z 8 and the Z f) are selling well.
- Nikon has advanced its shift to mirrorless cameras and interchangeable lenses for mirrorless cameras.
- Revenue to rise YoY on the weaker yen and higher ASP driven by the shift towards mid/high-end cameras.

- Operating Profit: Up ¥1.0B vs. previous forecast**  
**(Up ¥1.8B YoY)**

- Revising upward ¥1.0B vs. previous forecast to reflect the weaker yen in Q3.
- We expect operating profit to grow YoY as higher sales volumes in DCIL and interchangeable lens, higher ASP, and the weaker yen outweigh higher parts procurement prices and increased sales promotion expenses.

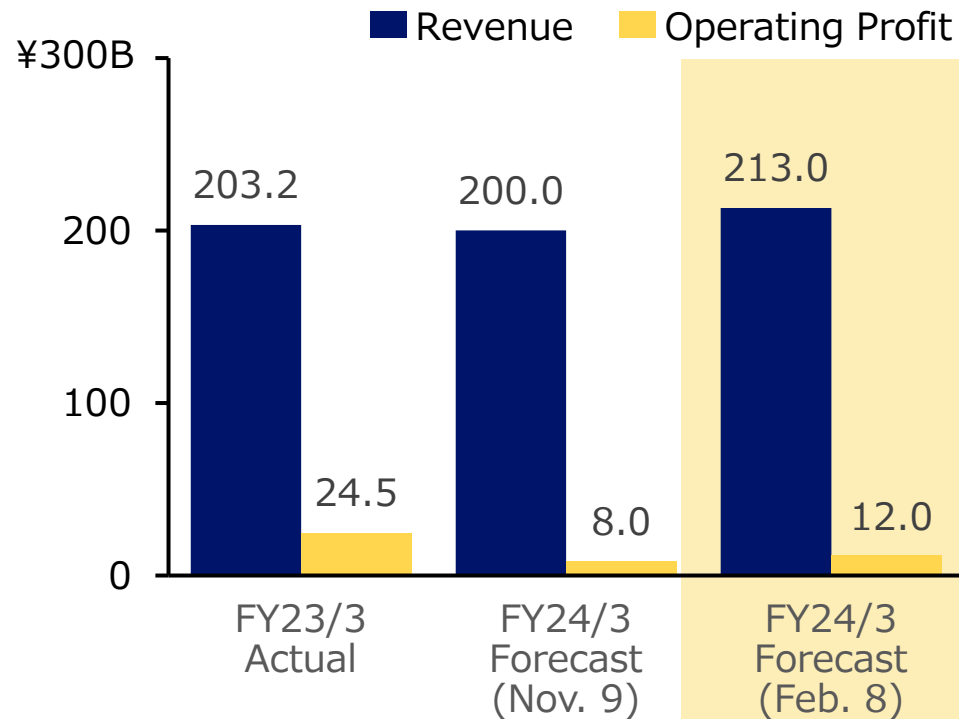
## Digital Camera-Interchangeable Lens type (units: 1,000)

Market Scale	5,810	6,300	6,100
Nikon	700	800	800

## Interchangeable Lens (units:1,000)

Market Scale	9,400	10,000	9,800
Nikon	1,160	1,250	1,250

# Forecast for the year ending March 31, 2024: Precision Equipment Business



- Revenue: Up ¥13.0B vs. previous forecast**  
**(Up ¥9.8B YoY)**

- Revising upward ¥13.0B vs. previous forecast mainly due to increased sales volumes of FPD lithography systems for large panels.
- We expect revenue to grow YoY in the overall Precision Equipment Business as higher sales volumes in mainly ArF lithography systems outweighs a substantial decline in FPD lithography system sales volumes driven by delays in customer capex.

- Operating Profit: Up ¥4.0B vs. previous forecast**  
**(Down ¥12.5B YoY)**

- Revising upward ¥4.0B vs. previous forecast mainly due to increased sales volumes of FPD lithography systems.
- We expect operating profit for the overall Precision Equipment Business to decline YoY on lower sales volumes of FPD lithography systems and lower service revenue in the Semiconductor Lithography Business.

### FPD Lithography Systems (units)

Market Scale (CY22/23)	79	45	46
Nikon	29	13	16

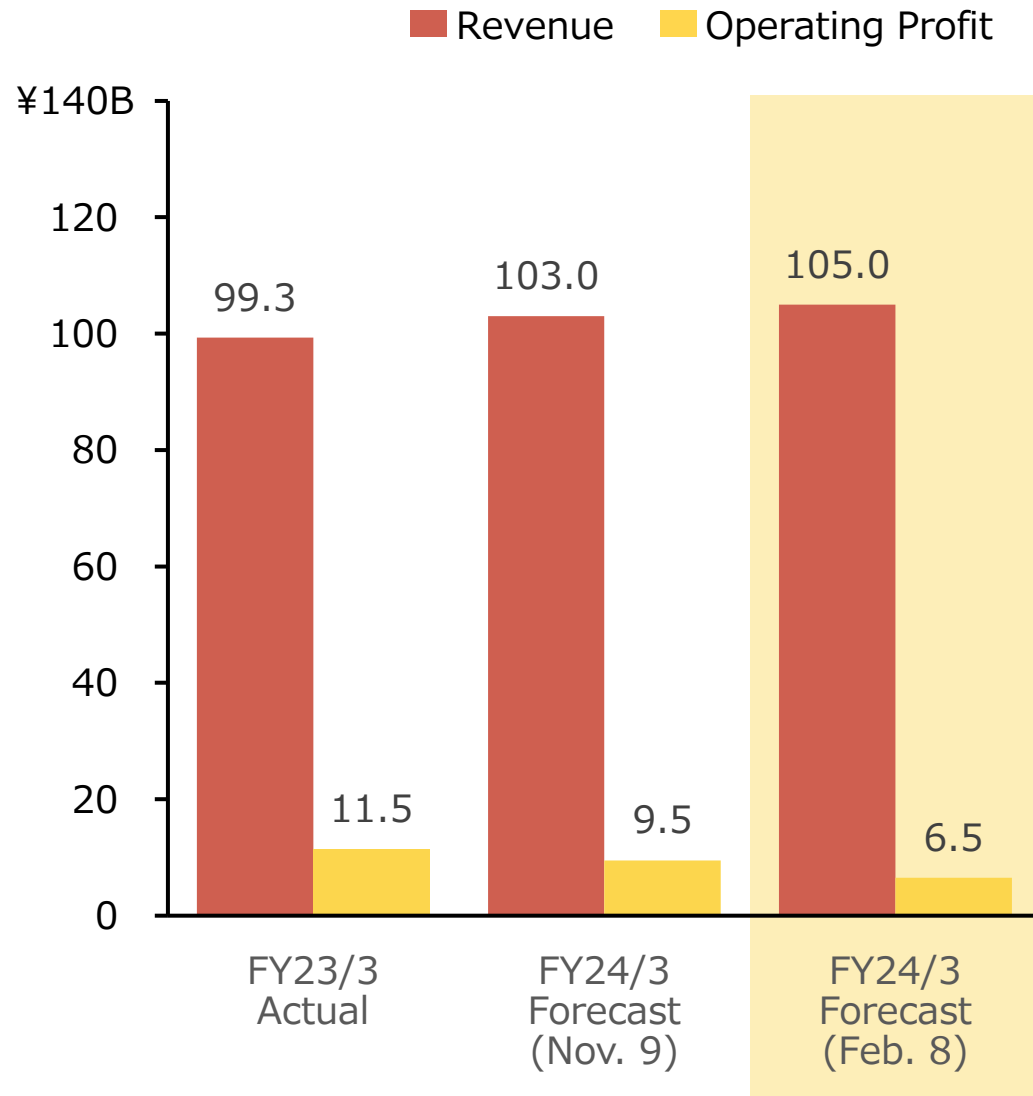
### Semiconductor Lithography Systems (New/Refurbished, units)

Market Scale (CY22/23)	480	430	520
Nikon	27/18	30/16	30/12

Note: FY2023/3 results have been re-stated to reflect segmentation changes.



# Forecast for the year ending March 31, 2024: Healthcare Business



- **Revenue: Up ¥2.0B vs. previous forecast**

**(Up ¥5.7B YoY)**

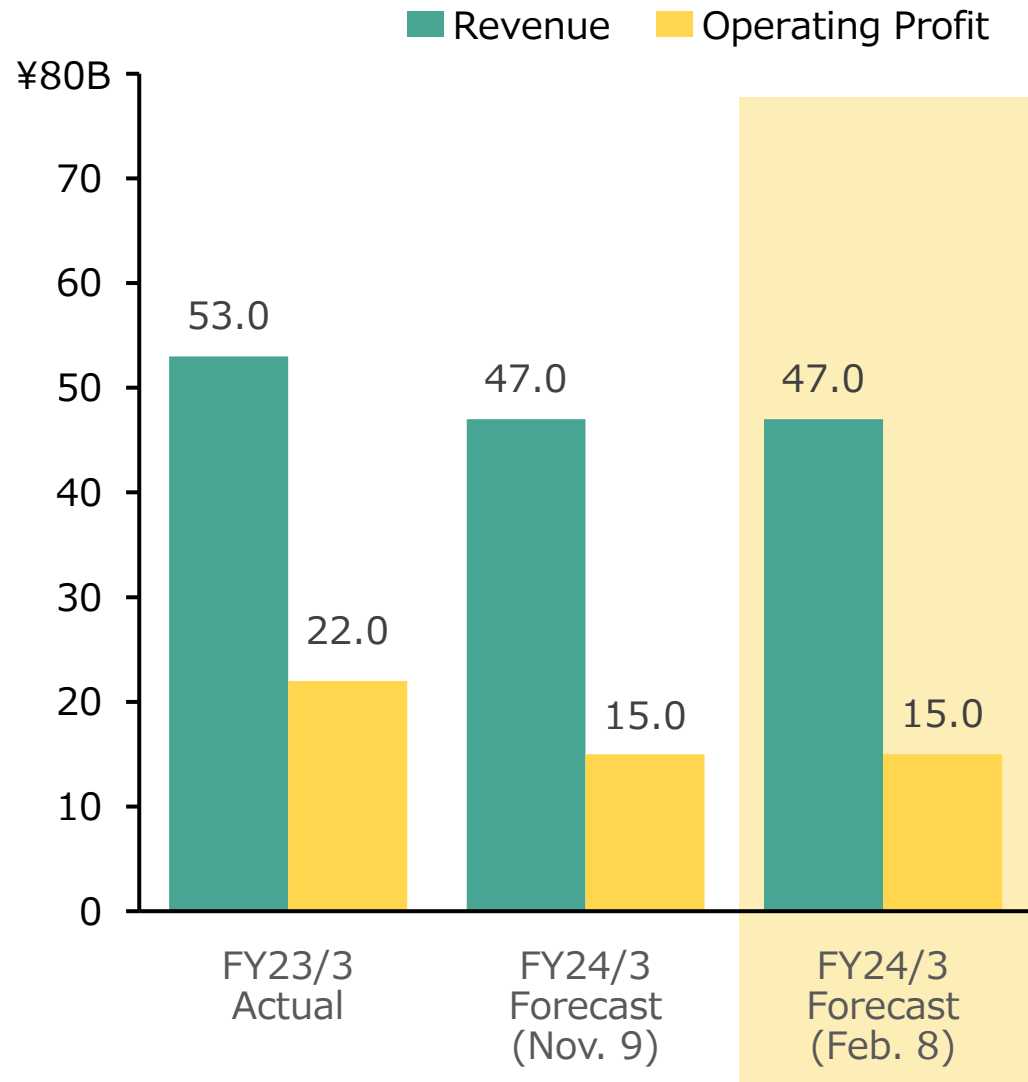
- Revising upward ¥2.0B vs. previous forecast to reflect increased sales of Life Science Solutions in China and the rest of Asia, and the weaker yen in Q3.
- In Life Science Solutions, we expect sales expansion mainly in North America and China on development of the private sector market and strengthening of drug discovery support and solutions.
- In Eye Care Solutions, we expect revenue to be flat YoY despite stable growth in retinal diagnostic imaging systems market because the effects of last year's major deals will disappear.

- **Operating Profit: Down ¥3.0B vs. previous forecast**

**(Down ¥5.0B YoY)**

- Revising downward ¥3.0B on one-time costs such as disposal and write-down of inventory and survey costs related to a provision booked in Q2 in Eye Care Solutions.

# Forecast for the year ending March 31, 2024: Components Business



- **Revenue: Unchanged from previous forecast**

**(Down ¥6.0B YoY)**

- There are some signs of a recovery in the semiconductor market. However, forecasts remain unchanged as customer demand has not recovered yet.
- Lower utilization rates at semiconductor device makers will continue to impact demand for optical parts, and production adjustments and postponed investments by customers will continue to impact EUV related components and optical components.

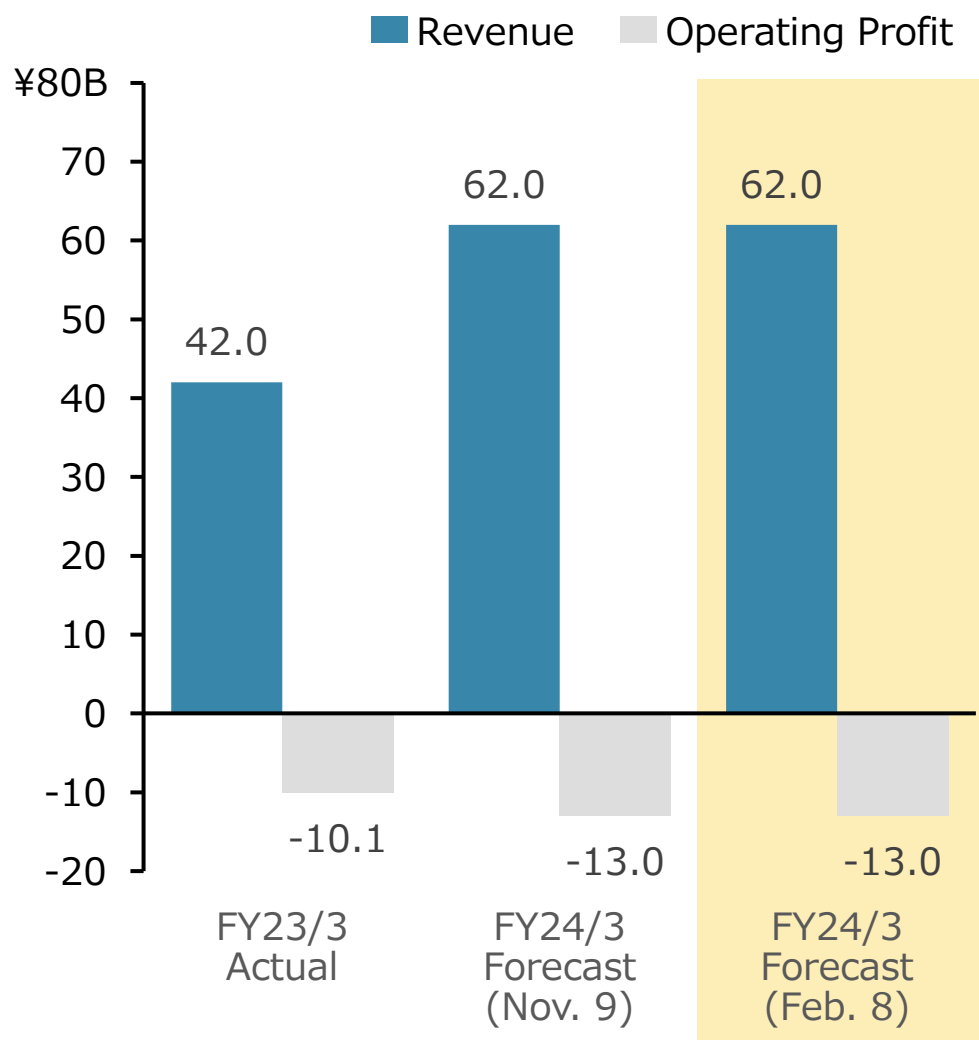
- **Operating profit: Unchanged from previous forecast**

**(Down ¥7.0B YoY)**

- As mentioned above, there is no change in customer demand for our products, and forecasts remain unchanged.

Note: FY2023/3 results have been re-stated to reflect segmentation changes.

# Forecast for the year ending March 31, 2024: Digital Manufacturing Business



- **Revenue: Unchanged from previous forecast (Up ¥20.0B YoY)**

- The Industrial Metrology Business revenue to grow on expanded sales of video measuring systems and X-ray and CT systems, etc.
- Total segment revenue to reach ¥62.0B with the full-year contribution to the Advanced Manufacturing (ADM) Business from SLM, which was acquired last fiscal year.

- **Operating Profit: Unchanged from previous forecast (Down ¥2.9B YoY)**

- The Industrial Metrology Business profit to decline YoY due to upfront investments and a one-time spike in materials costs, despite profit growth from increased sales.
- We expect operating loss to expand YoY in ADM due to SLM's operating loss and intangible-asset amortization costs over the full year, and upfront investments aimed at strengthening the business base.
- The total Digital Manufacturing Business will make an operating loss.

<Reference>

Estimated intangible-asset amortization costs resulting from the SLM acquisition: ¥3.9B (full year)

Note: FY2023/3 results have been re-stated to reflect segmentation changes.