



NIKON CORPORATION
August 7, 2018

Financial Results for the First Quarter of the Year Ending March 31, 2019

- Forward-looking statements for earnings and other performance data contained herein are based on information currently available to the Company, and all potential risks and uncertainties are taken into account. The Company asks that investors understand that changes in conditions may cause actual performance to significantly differ from these projections.
- Amounts in this statement are rounded down to the nearest hundred million.

FY2019/3 Q1 Result

- Operating Profit of Q1 was ¥19 billion exceeding our forecast.
- Operating Profit increased ¥6.6 billion in spite of the year-on-year revenue drop, thanks to the continued shift toward high value added digital cameras and the average price hike of highly profitable FPD lithography systems.

FY2019/3 Forecast

- Reflecting Q1, 1H Operating Profit is upgraded to ¥27 billion from ¥25 billion.
- The annual forecasts of both Operating Profit and Profit attributable to owners of the parent are upgraded to ¥74 billion from ¥70 billion (+32% YoY), and to ¥53 billion from ¥50 billion (+53% YoY) respectively.
- Profit structure strengthening including fixed cost reduction improved ROE to approximately 9%.
- ¥54 (+¥18 YoY) for annual dividend, ¥27 for interim dividend.

Outlook of major businesses

- Imaging Products: full-frame mirrorless camera (featuring a new mount) and exclusive lenses will be launched to continue the profit upward trend three fiscal years in a row and on.
- FPD Lithography: G5~8, which drove the record profit for two consecutive years in Precision Equipment Business, may enter an adjustment phase, but 20 or more sales are expected for G10.5 in FY20/3 and FY21/3.
- Semiconductor Lithography: The shift of business strategy expects to forge the profitable characteristics in coming years, aiming to reach the profitability that exceeds the capital cost in three years.

1st Quarter of the Year ending March 31, 2019: Financial Highlights



| Billions of yen | FY2018/3 Q1 (A) | FY2019/3 Q1 (B) | Change (B)-(A) |
|--|--------------------|--------------------|----------------------------|
| Revenue | 170.3 | 166.9 | -3.4 |
| Operating Profit | 12.4 | 19.0 | +6.6 |
| % vs Revenue | 7.3% | 11.4% | |
| Profit before income taxes | 13.1 | 21.9 | +8.8 |
| % vs Revenue | 7.7% | 13.1% | |
| Profit attributable to owners of the parent | 8.8 | 16.3 | +7.5 |
| % vs Revenue | 5.2% | 9.8% | |
| FCF | -9.7 | 27.6 | +37.3 |
| Exchange Rate: | | | Impact on Revenue |
| US \$ | ¥111 | ¥109 | +1.1 |
| EURO | ¥122 | ¥130 | Impact on Operating Profit |
| | | | -0.2 |

Q1 exceeded our forecast, and 1st Half and Full Year forecast revised upwardly.

Note: Due to change of revenue recognition under IFRS15, part of sales promotion expenses are deducted from Revenue of FY2019/3.

1st Quarter of the Year ending March 31, 2019: Financial Highlights by Segment



| Billions of yen | | FY2018/3 (B) | FY2019/3 (A) | Change (A)-(B) |
|--|------------------|-----------------|-----------------|-------------------|
| Imaging Products Business | Revenue | 90.9 | 79.1 | -13% |
| | Operating Profit | 7.6 | 12.4 | +¥4.8B |
| Precision Equipment Business | Revenue | 55.2 | 59.0 | +7% |
| | Operating Profit | 13.1 | 14.1 | +¥1.0B |
| Healthcare Business | Revenue | 11.0 | 13.3 | +21% |
| | Operating Profit | -2.0 | -2.1 | -¥0.1B |
| Industrial Metrology and Others | Revenue | 13.1 | 15.4 | +18% |
| | Operating Profit | -0.6 | 1.1 | +¥1.7B |
| Corporate Profit/Loss non-attributable to any reportable segments | Revenue | — | — | — |
| | Operating Profit | -5.7 | -6.5 | -¥0.8B |
| Consolidated | Revenue | 170.3 | 166.9 | -2% |
| | Operating Profit | 12.4 | 19.0 | +¥6.6B |

Operating Profit of all segments except Healthcare Business increased from previous year.

1st Quarter of the Year ending March 31, 2019: Imaging Products Business



| Billions of yen | FY2018/3 Q1 (A) | FY2019/3 Q1 (B) | Change (B)-(A) |
|---|--------------------|--------------------|-------------------|
| Revenue | 90.9 | 79.1 | -11.8 |
| Operating Profit | 7.6 | 12.4 | +4.8 |
| % vs Revenue | 8.4% | 15.7% | |
| Digital Camera- Interchangeable Lens type (units sold: 1,000) | 720 | 570 | -150 |
| Interchangeable Lens (units sold: 1,000) | 1,080 | 890 | -190 |
| Compact DSC (1,000 units sold) | 770 | 430 | -340 |

Q1 YoY change:

- While the DSLR market shrinks significantly due to expansion of ML cameras, the D850 is still highly evaluated even after a year from its launch: exceeding the sales forecast in all regions and the product mix has been improved.
- Decrease in expenses such as marketing purposes, and defer of advertisement expense, resulting in increase of operating profit.

1st Quarter of the Year ending March 31, 2019: Precision Equipment Business



| Billions of yen | FY2018/3 Q1 (A) | FY2019/3 Q1 (B) | Change (B)-(A) |
|--|--------------------|--------------------|-------------------|
| Revenue | 55.2 | 59.0 | +3.8 |
| Operating Profit | 13.1 | 14.1 | +1.0 |
| % vs Revenue | 23.7% | 23.9% | |
| FPD Lithography Systems (units) | 21 | 19 | -2 |
| Semiconductor Lithography Systems New/Refurbished (units) | 5/0 | 3/4 | -2/+4 |

Q1 YoY change:

- FPD Lithography Business: Higher sales and OP were achieved . Sales increase of systems for large sized panels including G10.5 compensates the sales decline of those for mid-to-small sized panels.
- Semiconductor Lithography Business: The steady progress was made in line with the forecast although the revenue was declined by the reduced unit sales of ArF immersion lithography systems.

1st Quarter of the Year ending March 31, 2019: Healthcare Business



| Billions of yen | FY2018/3 Q1 (A) | FY2019/3 Q1 (B) | Change (B)-(A) |
|-------------------------|--------------------|--------------------|-------------------|
| Revenue | 11.0 | 13.3 | +2.3 |
| Operating Profit | -2.0 | -2.1 | -0.1 |
| % vs Revenue | -18.2% | -15.8% | |

Q1 YoY change:

- Sales of biological microscopes expanded in major markets including US, Europe, and China, resulting in a substantial revenue increase. Retinal imaging diagnosis instruments showed steady performance mainly in the US optometrist market.
- Strategic investment continues to focus on retinal diagnostic systems and regenerative medicine fields, with the deficit staying flat.

1st Quarter of the Year ending March 31, 2019: Industrial Metrology and Others



| Billions of yen | FY2018/3 Q1 (A) | FY2019/3 Q1 (B) | Change (B)-(A) |
|-------------------------|--------------------|--------------------|-------------------|
| Revenue | 13.1 | 15.4 | +2.3 |
| Operating Profit | -0.6 | 1.1 | +1.7 |
| % vs Revenue | -4.6% | 7.1% | |

Q1 YoY change:

- Overall inspection instruments such as image measuring system and X-ray inspection system showed favorable performance, posting the year-on-year revenue increase.
- Others including large-sized photomask and optical encoder businesses progressed steadily, having contributed to the overall revenue/profit improvement in this segment.

FY2019/3 1H Forecast

- **Overall Revenue is downgraded by ¥8 billion, however OP and Profit attributable to owners of the parent are upgraded by ¥2.0 billion each.**
 - **Imaging Products Business:** Upgrade OP ¥4 billion based on Q1.
 - **Precision Equipment Business:** Part of FPD and semiconductor lithography systems' installation completion is delayed to the 2nd half, therefore, Revenue and OP forecasts are lowered by ¥8 billion and ¥3 billion respectively.
 - **Industrial Metrology and Others:** Upgrade OP ¥1 billion based on Q1.

FY2019/3 Full Year Forecast

- **Overall OP and Profit attributable to owners of the parent are upgraded by ¥4.0 billion and ¥3.0 billion each.**
 - **Imaging Products Business:** Upgrade OP ¥4 billion (2nd Half forecast unchanged). While approx. 10% revenue drop is expected year on year, approx. 10% profit hike is forecasted.
 - **Precision Equipment Business:** Forecast is unchanged.
 - **Industrial Metrology and Others:** Forecast is unchanged.

Forecast for the Year ending March 31, 2019: Financial Highlights



| Billions of yen | FY2017/3 Actual (A) | Previous Forecast (May10) (B) | New Forecast (Aug7) (C) | Change (C)-(A) | Change (C)-(B) |
|--|---------------------|-------------------------------|-------------------------|----------------------|----------------|
| Revenue | 717.0 | 740.0 | 740.0 | +23.0 | ±0.0 |
| Operating Profit | 56.2 | 70.0 | 74.0 | +17.8 | +4.0 |
| % vs Revenue | 7.8% | 9.5% | 10.0% | | |
| Profit before income taxes | 56.2 | 70.0 | 76.0 | +19.8 | +6.0 |
| % vs Revenue | 7.8% | 9.5% | 10.3% | | |
| Profit attributable to owners of the parent | 34.7 | 50.0 | 53.0 | +18.3 | +3.0 |
| % vs Revenue | 4.8% | 6.8% | 7.2% | | |
| FCF | 90.2 | 60.0 | 60.0 | -30.2 | ±0.0 |
| Exchange Rate : | | | | Impact on Revenue | |
| US \$ | ¥111 | ¥105 | ¥106 | approx.-12.0 | approx.+2.4 |
| EURO | ¥130 | ¥130 | ¥130 | Impact on Op. Profit | |
| | | | | approx.-2.0 | ≒Zero |

Profit attributable to owners of the parent to be increased by 50% vs previous year.

Annual dividend to be ¥54, up ¥18 (interim dividend to be ¥27)

Note: Due to change of revenue recognition under IFRS15, part of sales promotion expenses are deducted from Revenue of FY2019/3. 10
Approx. ¥7 billion is deducted for Revenue of FY2019/3.

Forecast for the Year ending March 31, 2019: by Segment



| Billions of yen | | FY2018/3 Actual(A) | Previous Forecast (May.10) (B) | New Forecast (Aug.7) (C) | Change (C)-(A) | Change (C)-(B) |
|---|---------------------|-----------------------|--------------------------------------|--------------------------------|-------------------|-------------------|
| Imaging Products Business | Revenue | 360.7 | 320.0 | 320.0 | -11.3% | ±0.0% |
| | Operating Profit | 30.2 (36.0) | 29.0 (31.0) | 33.0 (34.0) | +¥2.8B | +¥4.0B |
| Precision Equipment Business | Revenue | 226.3 | 282.0 | 282.0 | +24.6% | ±0.0% |
| | Operating Profit | 53.3 (53.3) | 68.0 (68.0) | 68.0 (68.0) | +¥14.7B | ±¥0.0B |
| Healthcare Business | Revenue | 56.8 | 63.0 | 63.0 | +10.9% | ±0.0% |
| | Operating Profit | -3.2 (-3.2) | -4.0 (-4.0) | -4.0 (-4.0) | -¥0.8B | ±¥0.0B |
| Industrial Metrology and Others | Revenue | 73.2 | 75.0 | 75.0 | +2.5% | ±0.0% |
| | Operating Profit | 5.0 (7.8) | 6.0 (6.0) | 6.0 (6.0) | +¥1.0B | ±¥0.0B |
| Corporate Profit/Loss non- attributable to any reportable segments | Revenue | - | - | - | - | - |
| | Operating Profit | -29.1 (-29.1) | -29.0 (-29.0) | -29.0 (-29.0) | +¥0.1B | ±¥0.0B |
| Consolidated | Revenue | 717.0 | 740.0 | 740.0 | +3.2% | ±0.0% |
| | Operating Profit | 56.2 (64.9) | 70.0 (72.0) | 74.0 (75.0) | +¥17.8B | +¥4.0B |

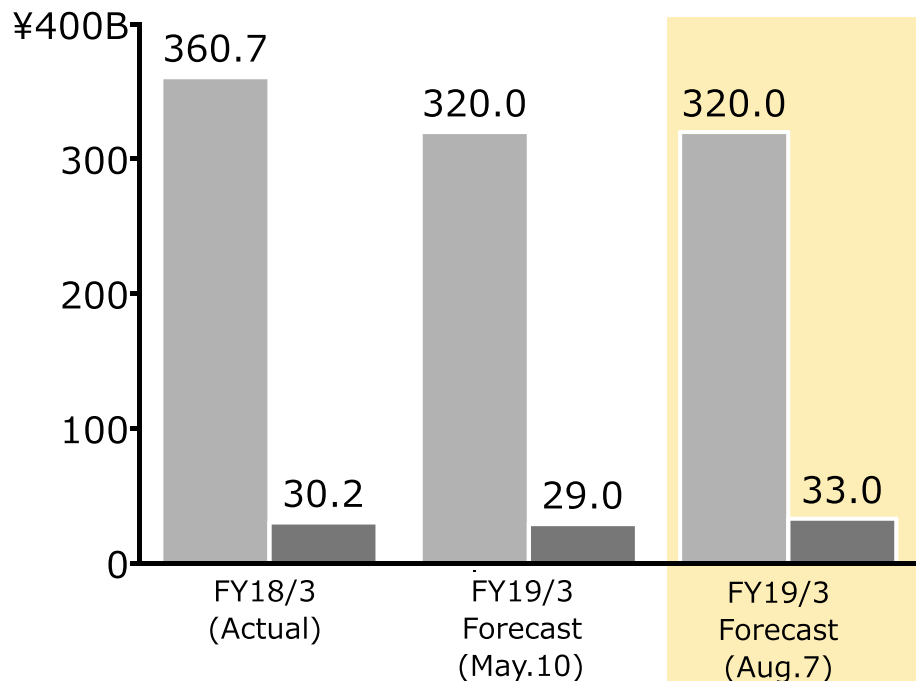
Note: Due to change of revenue recognition under IFRS15, part of sales promotion expenses are deducted from Revenue of FY2019/3. Approx. ¥7 billion is deducted for Revenue of FY2019/3.

Figures of Operating Profit in parentheses shows those excluding the restructuring relevant expenses.

Forecast for the Year ending March 31, 2019: Imaging Products Business



Revenue/Operating Profit



- **Revenue: forecast unchanged, down ¥40.7 billion YoY**

- The expected YoY revenue drop caused by the revised sales volume of Compact DSC is almost compensated by the DSLR camera product-mix improvement.

- **Operating Profit: Upgrade ¥4 billion, Up ¥2.8 billion YoY**

- Operating Profits before the restructuring cost for FY18/3 and FY19/3 was/will be ¥36 billion and ¥34 billion, respectively.
- Upgrade ¥4 billion from the previous forecast contributed by the ¥3 billion profit hike in 1st Half in addition to the ¥1 billion restructuring cost reduction.

Digital camera-Interchangeable Lens Type (units: 1,000)

| | | | |
|--------------|--------|--------|--------|
| Market Scale | 11,410 | 10,000 | 10,000 |
| Nikon | 2,620 | 2,300 | 2,300 |

Interchangeable Lenses (units: 1,000)

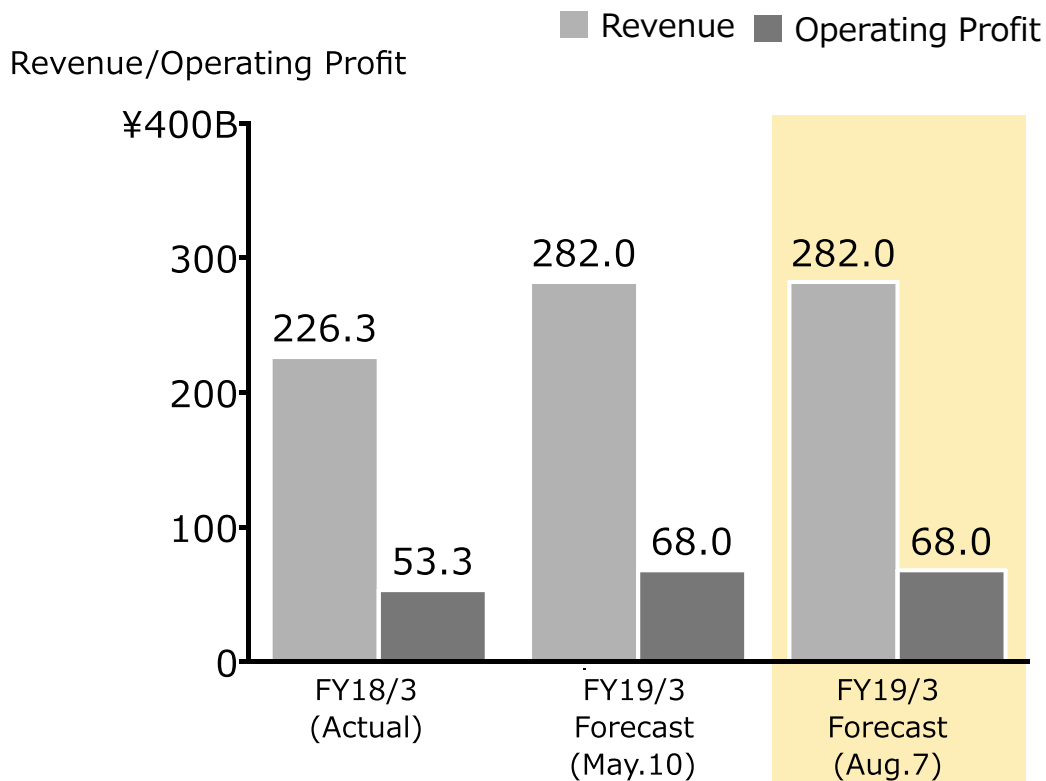
| | | | |
|--------------|--------|--------|--------|
| Market Scale | 19,060 | 16,500 | 16,500 |
| Nikon | 4,010 | 3,400 | 3,400 |

Compact DSC (units: 1,000)

| | | | |
|--------------|--------|-------|-------|
| Market Scale | 11,960 | 9,000 | 8,000 |
| Nikon | 2,510 | 1,800 | 1,700 |

Note: Due to change of revenue recognition under IFRS15, part of sales promotion expenses are deducted from Revenue of FY2019/3. Approx. ¥7 billion is deducted from Revenue of FY2019/3.

Forecast for the Year ending March 31, 2019: Precision Equipment Business



- **Revenue: forecast unchanged, Up ¥55.7 billion YoY**

- FPD: G10.5 sales expands. Brisk sales of large sized panel systems expect to largely exceed the sales drop of mid-to-small sized panel systems.
 - > G10.5 sales rapidly grows from 3 units (FY18/3) to 18 units.
- Semiconductor: Sales volume increases while the customers' CAPEX is steady.

- **Operating Profit: forecast unchanged, Up ¥14.7 billion YoY**

- FPD: Substantial improvement in revenue and operating profit
- Semiconductor: Achievement of two consecutive profitable years confirms the penetration of profitable business structure.

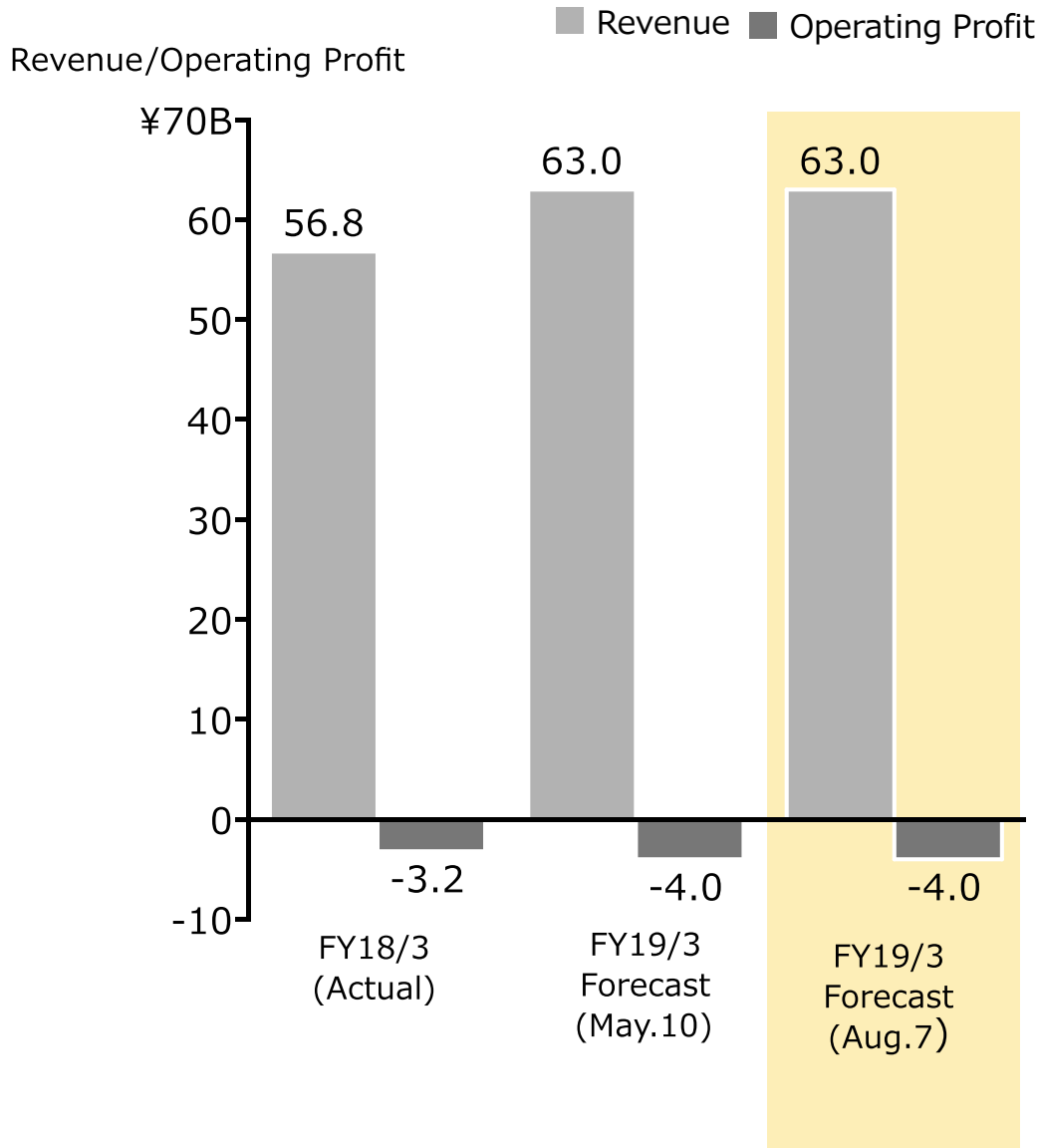
FPD Lithography Systems (units)

| | FY18/3 (Actual) | FY19/3 Forecast (May.10) | FY19/3 Forecast (Aug.7) |
|------------------------|-----------------|--------------------------|-------------------------|
| Market Scale (CY17/18) | 149 | 150 | 150 |
| Nikon | 67 | 70 | 70 |

Semiconductor Lithography Systems (New/Refurbished, units)

| | FY18/3 (Actual) | FY19/3 Forecast (May.10) | FY19/3 Forecast (Aug.7) |
|------------------------|-----------------|--------------------------|-------------------------|
| Market Scale (CY17/18) | 240 | 260 | 260 |
| Nikon | 17/13 | 23/12 | 23/12 |

Forecast for the Year ending March 31, 2019: Healthcare Business



- **Revenue: forecast unchanged, Up ¥6.2 billion YoY**

- Bioscience field: Expect to increase revenue amid overseas market recovery mainly in North America and China.
- Ophthalmologic diagnosis field: Retinal imaging diagnostic system market remains robust, expecting to increase revenue with contribution of new products launch.

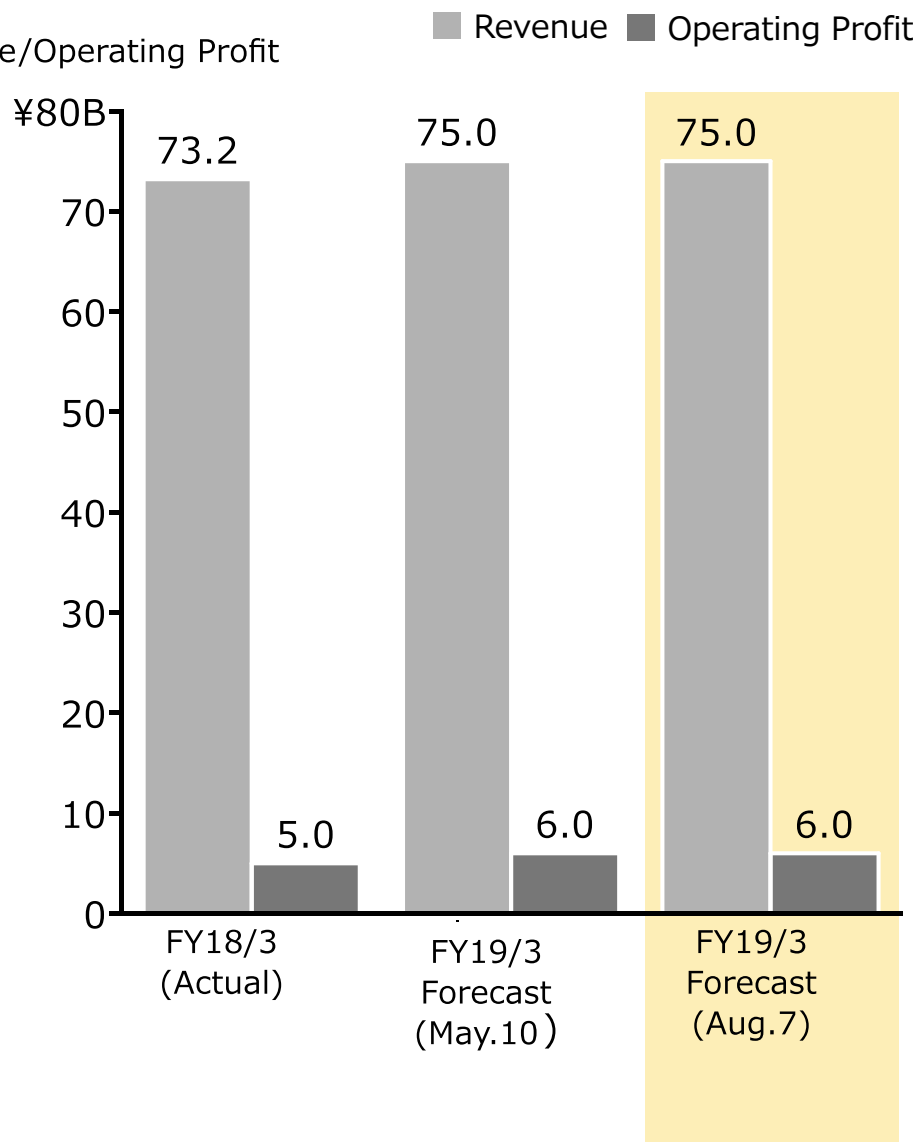
- **Operating Profit: forecast unchanged**

- Continue to investment for future growth in generative medicine related field and ophthalmologic diagnosis field.

Forecast for the Year ending March 31, 2019: Industrial Metrology Business and Others



Revenue/Operating Profit



- **Revenue: forecast unchanged, Up ¥1.8 billion YoY**

- Industrial metrology: Sales expansion of image measuring systems and X-ray inspection systems, etc. expects to cover the decline of revenue after the CMM business transfer.

- **Operating Profit: forecast unchanged, Up ¥1.0 billion YoY**

- FY2018/3 Operating Profit before the restructuring cost was ¥7.8 billion.
- Accelerate selection of focus areas including the component business to nurture/invest in pursuit of mid-long term profit growth.



NIKON CORPORATION

Reference Data

Forecast for the Year ending March 31, 2019: Financial Highlights Comparison with previous forecast (Half Year/Full Year)



| Billions of yen | Previous Forecast (May.10) | | | New Forecast (Aug.7) | | |
|--|----------------------------|-------|--------|----------------------|--------------|--------------|
| | 1H | 2H | 2019/3 | 1H | 2H | 2019/3 |
| Revenue | 340.0 | 400.0 | 740.0 | 332.0 | 408.0 | 740.0 |
| Operating Profit | 25.0 | 45.0 | 70.0 | 27.0 | 47.0 | 74.0 |
| % vs Revenue | 7.4% | 11.3% | 9.5% | 8.1% | 11.5% | 10.0% |
| Profit before income taxes | 25.0 | 45.0 | 70.0 | 28.0 | 48.0 | 76.0 |
| % vs Revenue | 7.4% | 11.3% | 9.5% | 8.4% | 11.8% | 10.3% |
| Profit attributable to owners of the parent | 17.0 | 33.0 | 50.0 | 19.0 | 34.0 | 53.0 |
| % vs Revenue | 5.0% | 8.3% | 6.8% | 5.7% | 8.3% | 7.2% |
| FCF | 60.0 | | | 60.0 | | |
| Exchange Rate: | | | | | | |
| US \$ | ¥105 | ¥105 | ¥105 | ¥107 | ¥105 | ¥106 |
| EURO | ¥130 | ¥130 | ¥130 | ¥130 | ¥130 | ¥130 |

Forecast for the Year ending March 31, 2019: by Segment Comparison with previous forecast (Half Year/Full Year)



| Billions of yen | | Previous Forecast (May.10) | | | New Forecast (Aug.7) | | |
|--|------------------|----------------------------|------------------|------------------|--------------------------------|--------------------------------|--------------------------------|
| | | 1H | 2H | 2019/3 | 1H | 2H | 2019/3 |
| Imaging Products Business | Revenue | 150.0 | 170.0 | 320.0 | 150.0 | 170.0 | 320.0 |
| | Operating Profit | 11.0 (13.0) | 18.0 (18.0) | 29.0 (31.0) | 15.0 (16.0) | 18.0 (18.0) | 33.0 (34.0) |
| Precision Equipment Business | Revenue | 132.0 | 150.0 | 282.0 | 124.0 | 158.0 | 282.0 |
| | Operating Profit | 33.0 (33.0) | 35.0 (35.0) | 68.0 (68.0) | 30.0 (30.0) | 38.0 (38.0) | 68.0 (68.0) |
| Healthcare Business | Revenue | 26.0 | 37.0 | 63.0 | 26.0 | 37.0 | 63.0 |
| | Operating Profit | -5.0 (-5.0) | 1.0 (1.0) | -4.0 (-4.0) | -5.0 (-5.0) | 1.0 (1.0) | -4.0 (-4.0) |
| Industrial Metrology and Others | Revenue | 32.0 | 43.0 | 75.0 | 32.0 | 43.0 | 75.0 |
| | Operating Profit | 1.0 (1.0) | 5.0 (5.0) | 6.0 (6.0) | 2.0 (2.0) | 4.0 (4.0) | 6.0 (6.0) |
| Corporate Profit/Loss non-attributable to any reportable segments | Revenue | — | — | — | — | — | — |
| | Operating Profit | -15.0 (-15.0) | -14.0 (-14.0) | -29.0 (-29.0) | -15.0 (-15.0) | -14.0 (-14.0) | -29.0 (-29.0) |
| Consolidated | Revenue | 340.0 | 400.0 | 740.0 | 332.0 | 408.0 | 740.0 |
| | Operating Profit | 25.0 (27.0) | 45.0 (45.0) | 70.0 (72.0) | 27.0 (28.0) | 47.0 (47.0) | 74.0 (75.0) |

Note: Figures of Operating Profit in parentheses shows those excluding the restructuring relevant expenses.

Forecast for the Year ending March 31, 2019: Financial Highlights

Comparison with previous year (Half Year/Full Year)



| | FY17/3 | FY18/3 | | | FY19/3 Forecast (Aug.7) | | |
|--|--------|--------|-------|--------|-------------------------|--------------|--------------|
| Billions of yen | 2017/3 | 1H | 2H | 2018/3 | 1H | 2H | 2019/3 |
| Revenue | 749.2 | 328.4 | 388.6 | 717.0 | 332.0 | 408.0 | 740.0 |
| Operating Profit | 0.7 | 23.0 | 33.2 | 56.2 | 27.0 | 47.0 | 74.0 |
| % vs Revenue | 0.1% | 7.0% | 8.5% | 7.8% | 8.1% | 11.5% | 10.0% |
| Profit before income taxes | 3.0 | 21.4 | 34.8 | 56.2 | 28.0 | 48.0 | 76.0 |
| % vs Revenue | 0.4% | 6.5% | 9.0% | 7.8% | 8.4% | 11.8% | 10.3% |
| Profit attributable to owners of the parent | 3.9 | 13.9 | 20.8 | 34.7 | 19.0 | 34.0 | 53.0 |
| % vs Revenue | 0.5% | 4.2% | 5.4% | 4.8% | 5.7% | 8.3% | 7.2% |
| FCF | 56.6 | 90.2 | | | 60.0 | | |
| Exchange Rate: | | | | | | | |
| US \$ | ¥108 | ¥111 | ¥111 | ¥111 | ¥107 | ¥105 | ¥106 |
| EURO | ¥119 | ¥126 | ¥133 | ¥130 | ¥130 | ¥130 | ¥130 |

Forecast for the Year ending March 31, 2019: by Segment Comparison with previous year (Half Year/Full Year)



| Billions of yen | | FY17/3 | FY18/3 | | FY19/3 Forecast (Aug.7) | | | |
|--|------------------|------------------|------------------|------------------|-------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | 2017/3 | 1H | 2H | 2018/3 | 1H | 2H | 2019/3 |
| Imaging Products Business | Revenue | 383.0 | 175.2 | 185.5 | 360.7 | 150.0 | 170.0 | 320.0 |
| | Operating Profit | 17.1 (28.1) | 15.4 (15.4) | 14.8 (20.6) | 30.2 (36.0) | 15.0 (16.0) | 18.0 (18.0) | 33.0 (34.0) |
| Precision Equipment Business | Revenue | 248.0 | 98.0 | 128.3 | 226.3 | 124.0 | 158.0 | 282.0 |
| | Operating Profit | 13.4 (48.1) | 20.1 (20.1) | 33.2 (33.2) | 53.3 (53.3) | 30.0 (30.0) | 38.0 (38.0) | 68.0 (68.0) |
| Healthcare Business | Revenue | 55.7 | 25.2 | 31.6 | 56.8 | 26.0 | 37.0 | 63.0 |
| | Operating Profit | -0.6 (-0.1) | -2.1 (-2.1) | -1.1 (-1.1) | -3.2 (-3.2) | -5.0 (-5.0) | 1.0 (1.0) | -4.0 (-4.0) |
| Industrial Metrology and Others | Revenue | 62.4 | 29.8 | 43.4 | 73.2 | 32.0 | 43.0 | 75.0 |
| | Operating Profit | 3.7 (5.5) | 1.5 (1.5) | 3.5 (6.3) | 5.0 (7.8) | 2.0 (2.0) | 4.0 (4.0) | 6.0 (6.0) |
| Corporate Profit/Loss non-attributable to any reportable segments | Revenue | — | — | — | — | — | — | — |
| | Operating Profit | -32.8 (-27.5) | -11.9 (-11.9) | -17.2 (-17.2) | -29.1 (-29.1) | -15.0 (-15.0) | -14.0 (-14.0) | -29.0 (-29.0) |
| Consolidated | Revenue | 749.2 | 328.4 | 388.6 | 717.0 | 332.0 | 408.0 | 740.0 |
| | Operating Profit | 0.7 (54.1) | 23.0 (23.0) | 33.2 (41.9) | 56.2 (64.9) | 27.0 (28.0) | 47.0 (47.0) | 74.0 (75.0) |

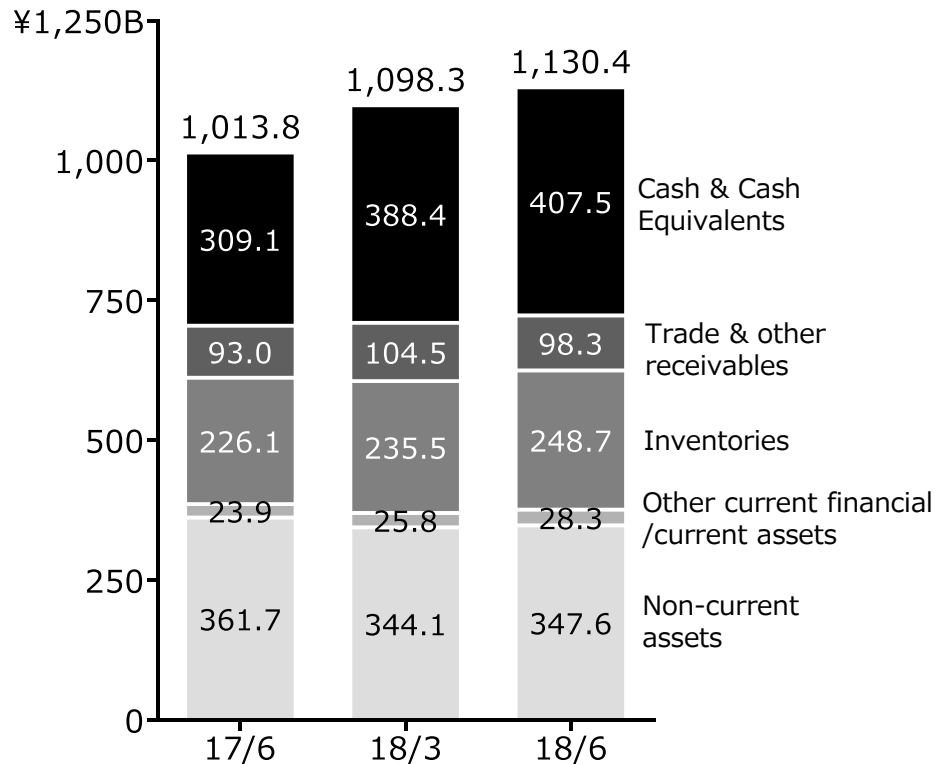
Note: Due to change of revenue recognition under IFRS15, part of sales promotion expenses are deducted from Revenue of FY2019/3. Approx. ¥7 billion is deducted for Revenue of FY2019/3.

Figures of Operating Profit in parentheses shows those excluding the restructuring relevant expenses.

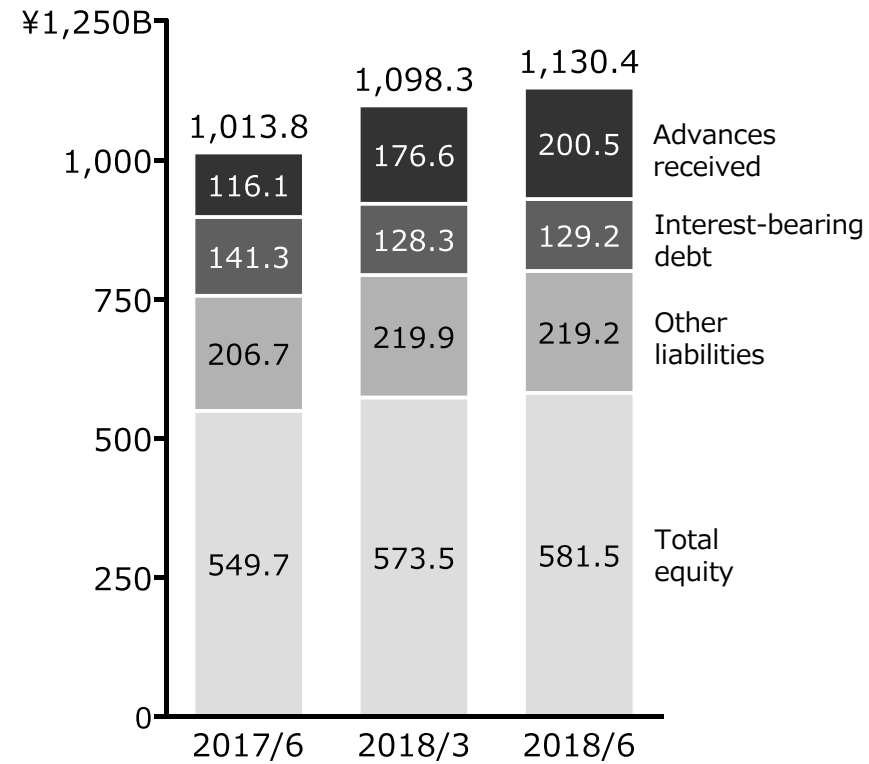
Financial results for the Year ended March 31, 2019: Financial Position Breakdown



ASSETS



LIABILITIES/EQUITY



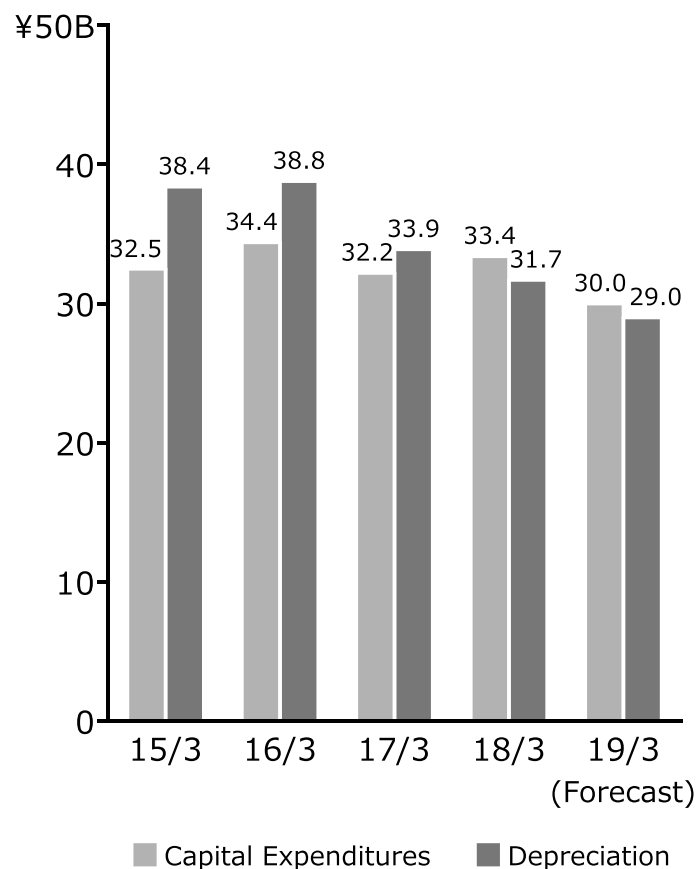
Equity ratio 54.2% 52.2% 51.4%

Note: Equity ratio is ratio of equity attributable to owners of the parent to total assets.
Cash and Cash Equivalents excludes time deposits with maturities of three months or more

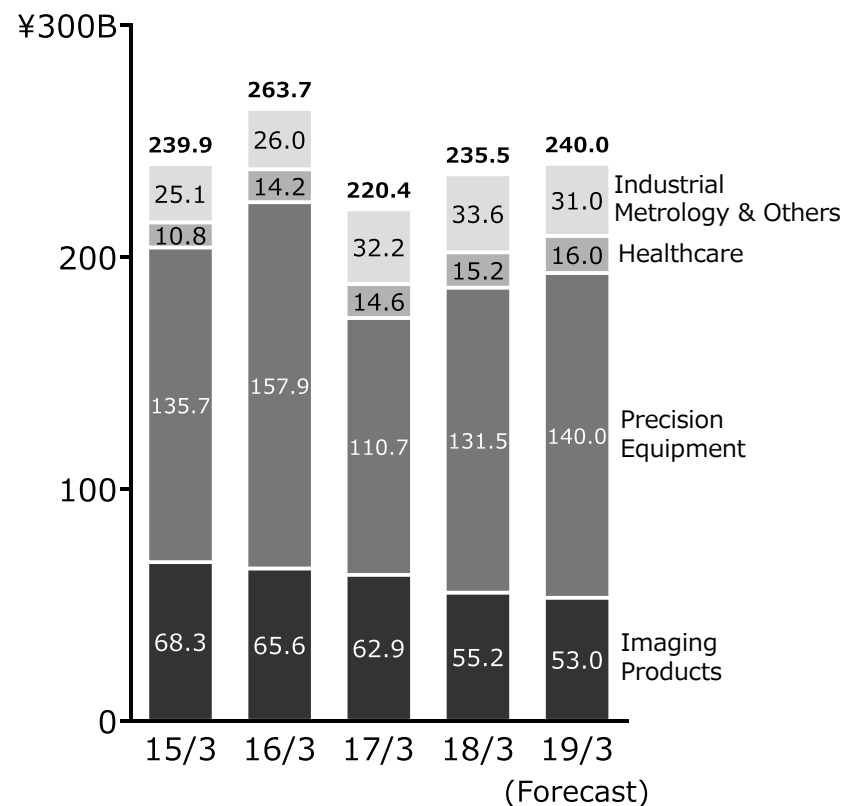
Forecast for the Year ending March 31, 2019: Capital Expenditures, Depreciation and Inventory



CAPITAL EXPENDITURES, DEPRECIATION



INVENTORY BREAKDOWN

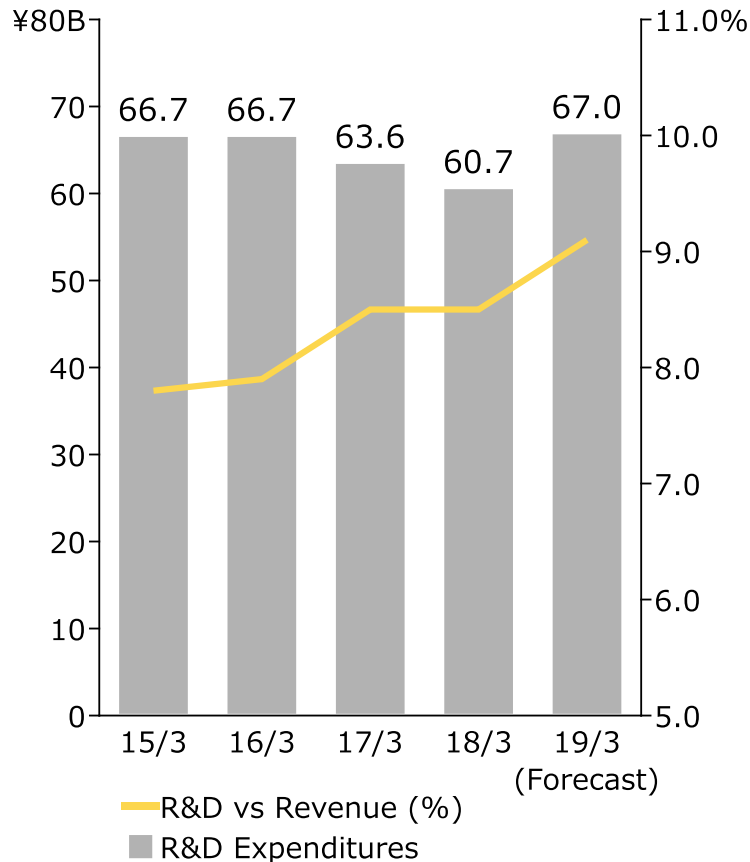


Note: Figures after FY2016/3 is presented in International Financial Reporting Standards(IFRS) while FY2015/3 is in Japan GAAP.
 Depreciation expenses comprise in-process development costs as from FY2017/3.
 Inventory breakdown before FY2016/3 is reclassified under the current business segmentation

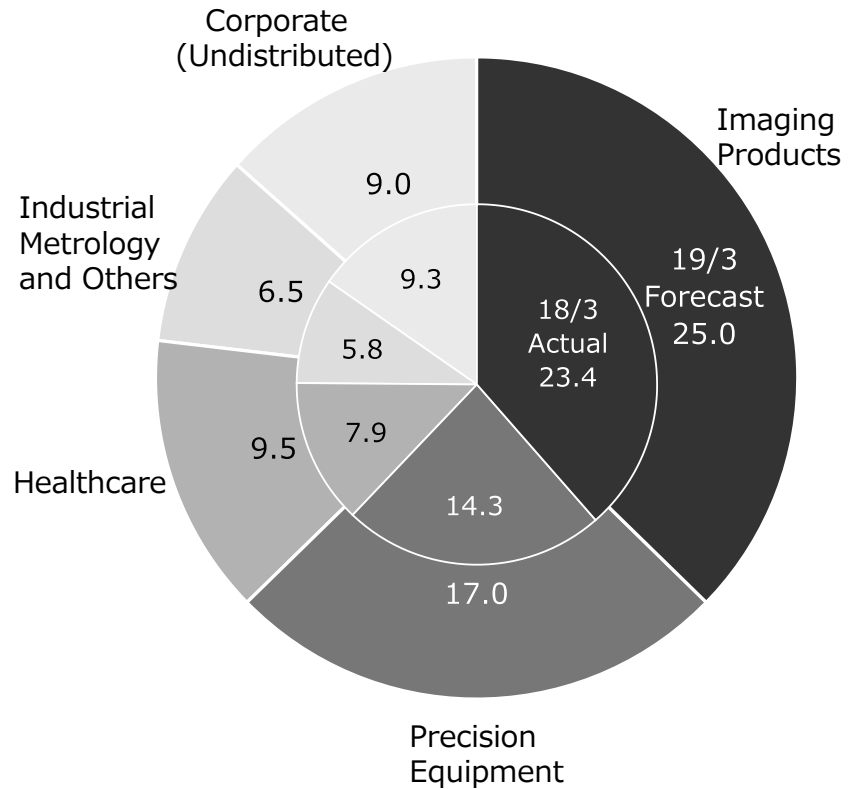
Forecast for the Year ending March 31, 2019: R&D Expenditures



R&D EXPENDITURES

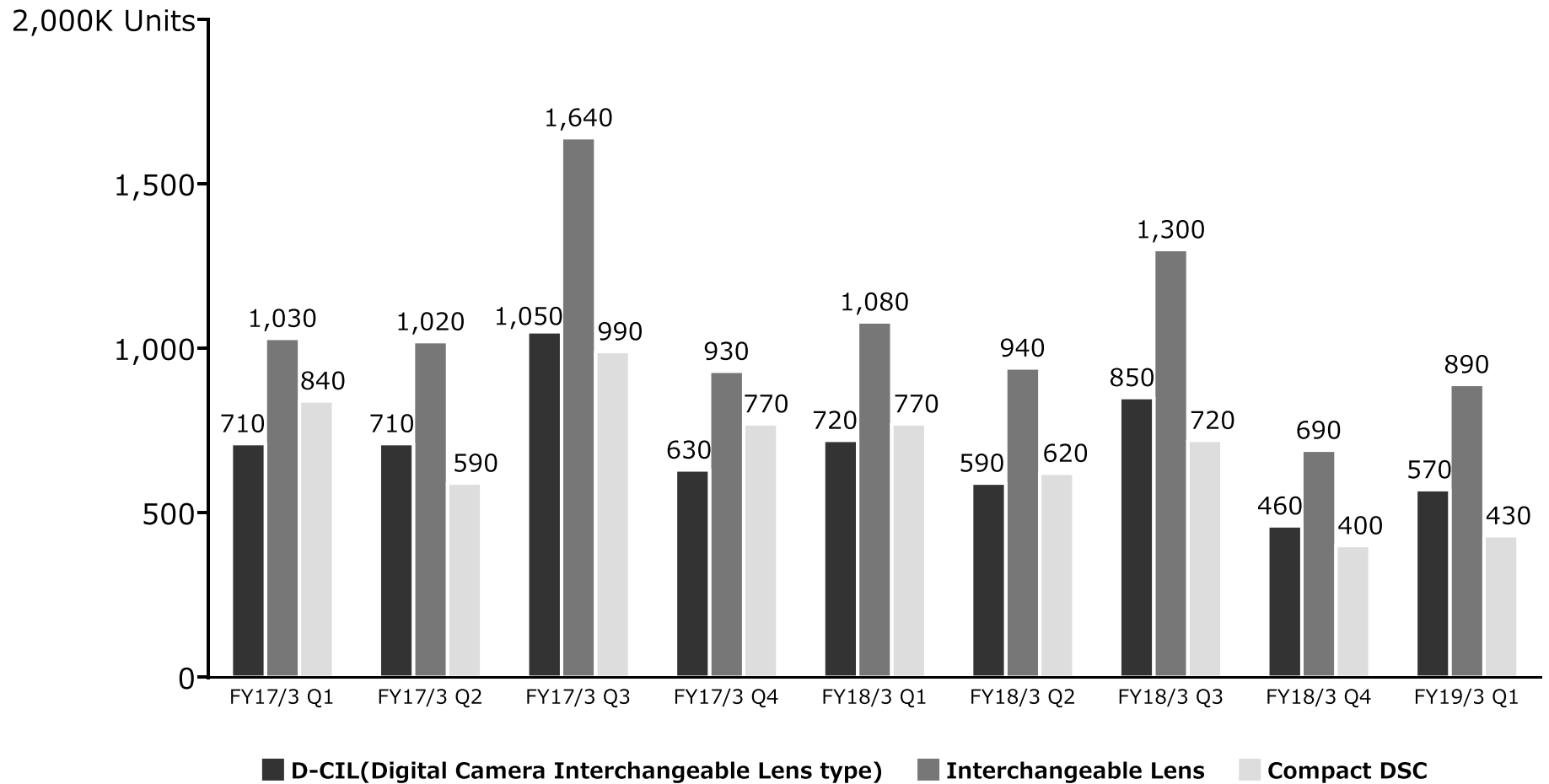


R&D EXPENDITURES BREAKDOWN



Note: R&D expenditures after FY2017/3 includes capitalization of some development expenditure.
Breakdown is shown for two years in view of the segmentation change since previous fiscal year

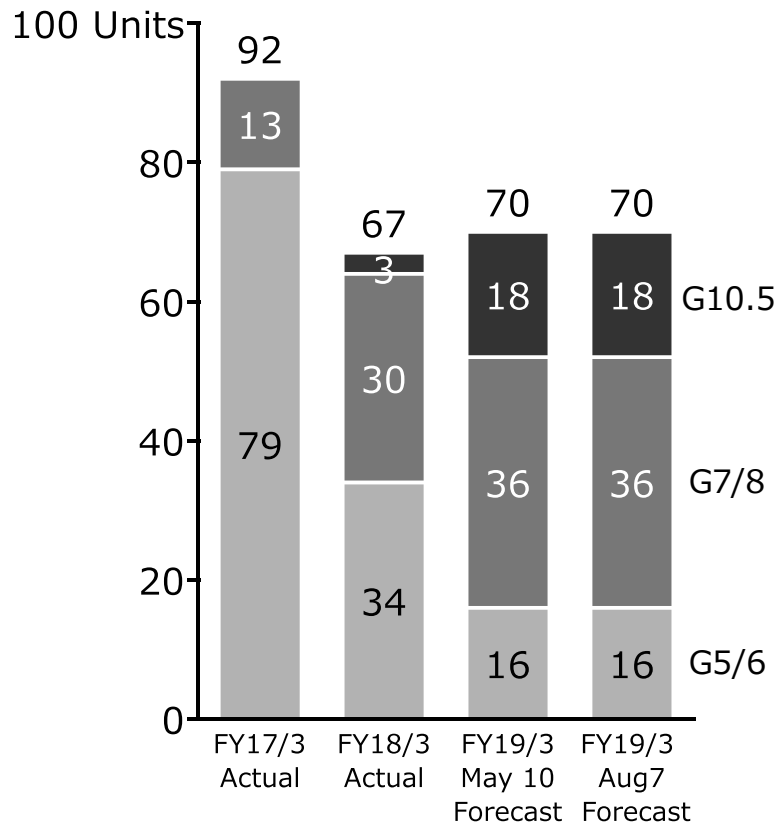
SALES IN UNITS BY PRODUCT CATEGORY



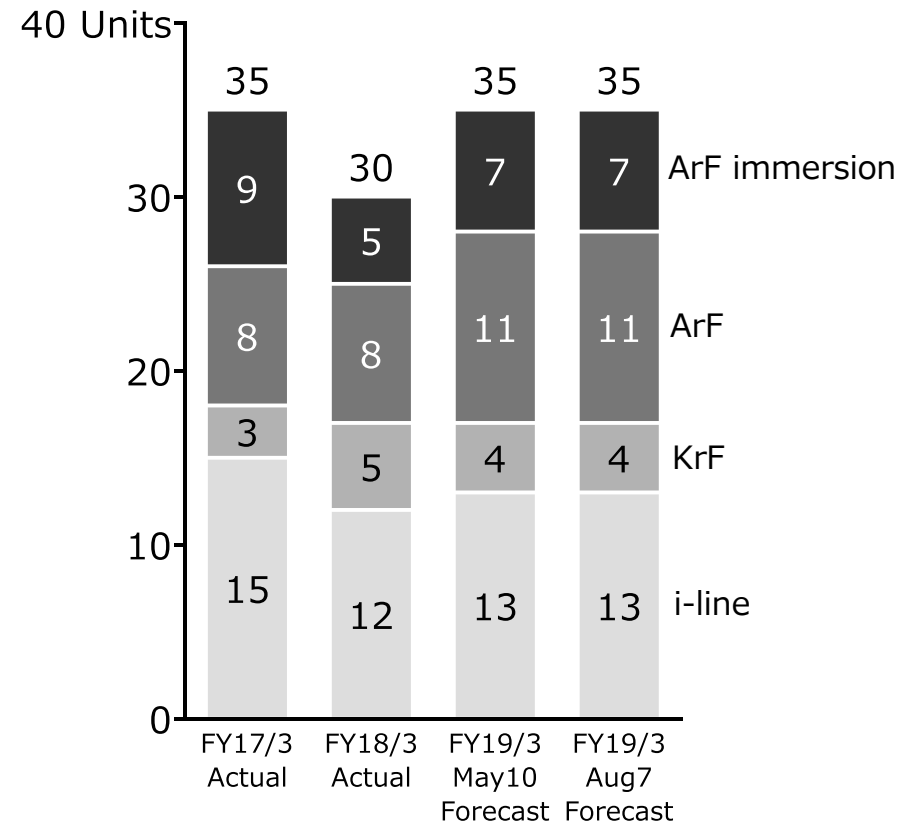
Forecast for the Year ending March 31, 2019: Precision Equipment Business



FPD LITHOGRAPHY SYSTEMS SALES BY GENERATION

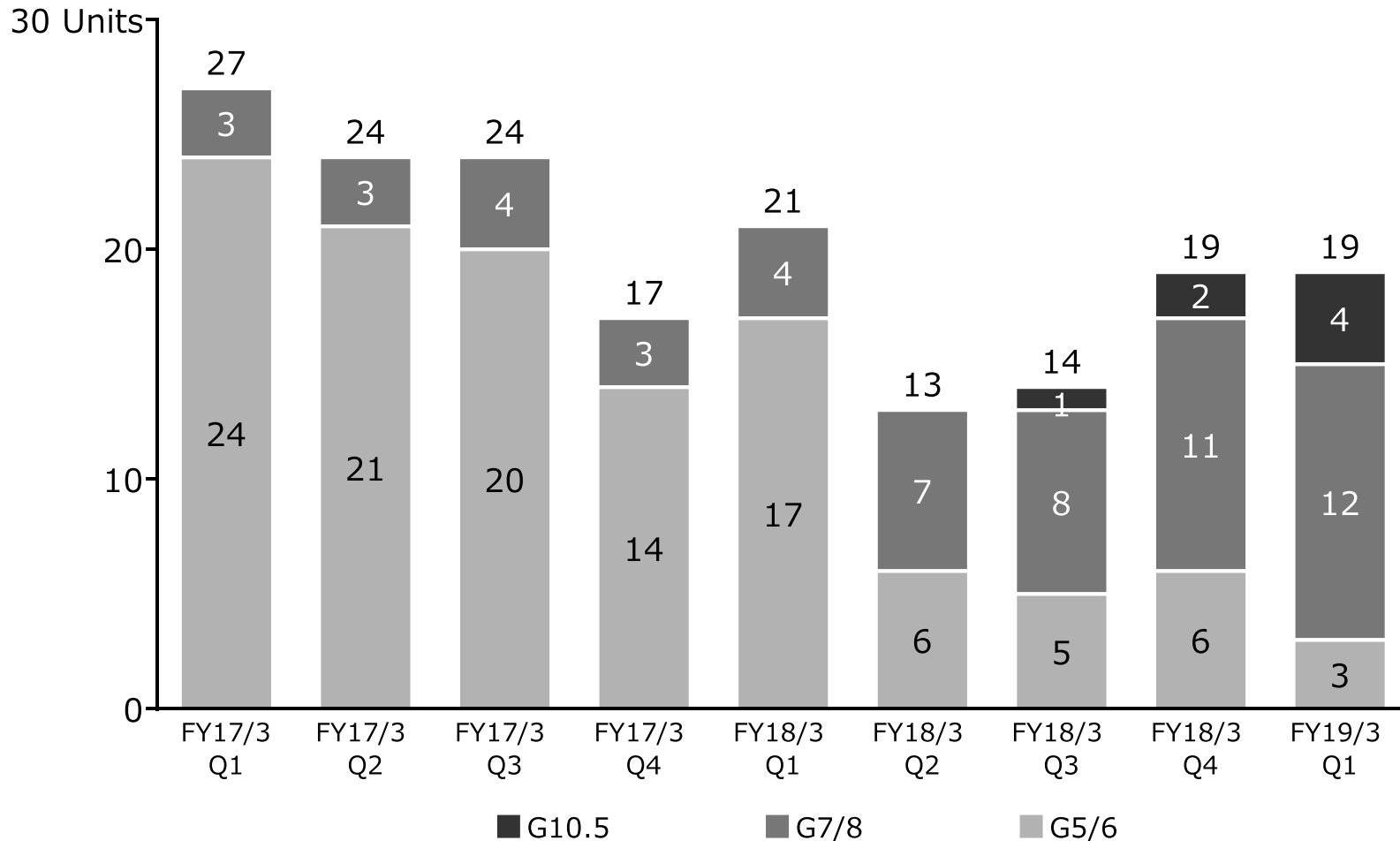


SEMICONDUCTOR LITHOGRAPHY SYSTEMS SALES BY TECHNOLOGY (INCL. REFURBISHED)

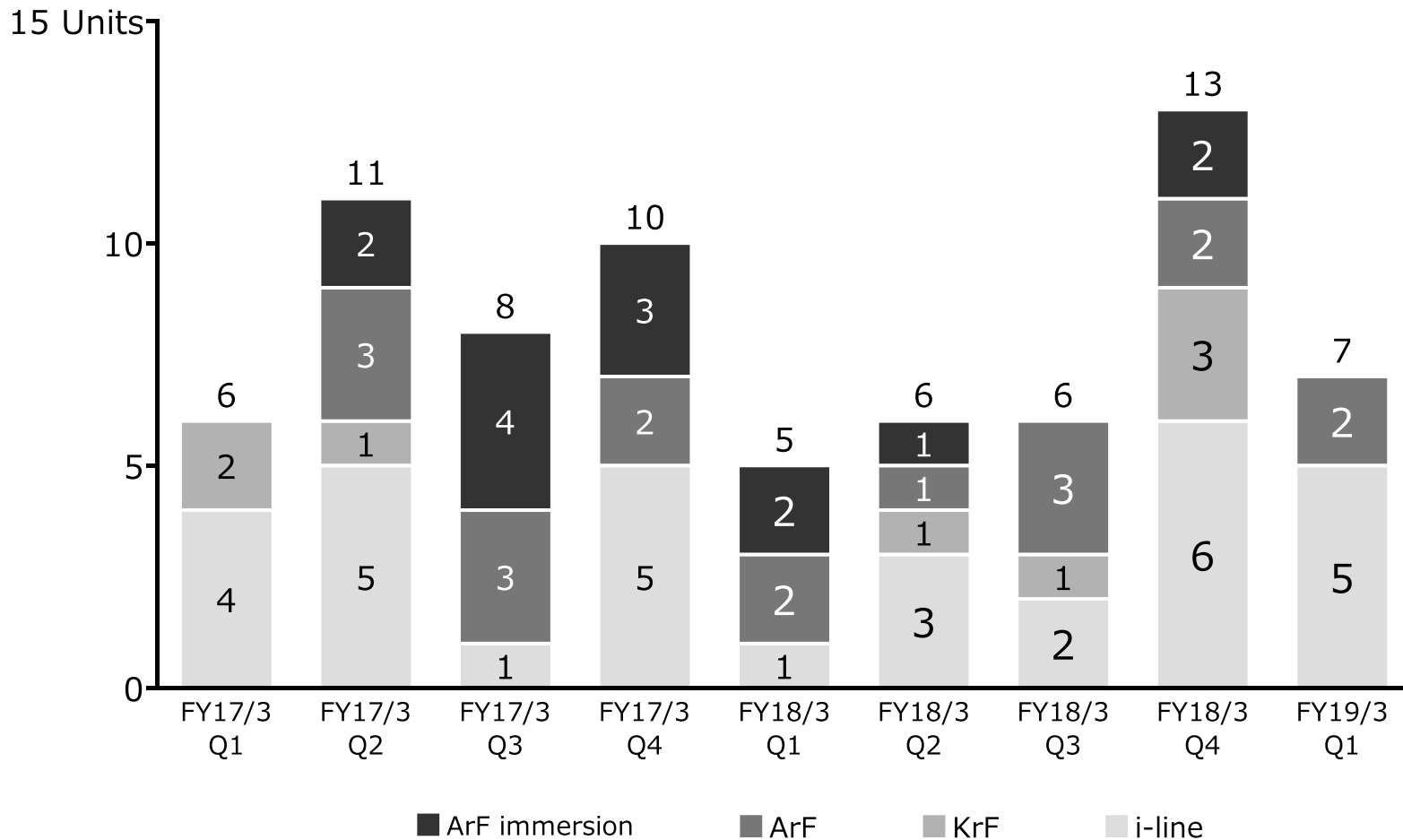


Note: New units sold for Semiconductor lithography systems in FY17/3, 18/3 and 19/3 are 24, 17 and 23 respectively.

FPD LITHOGRAPHY SYSTEMS SALES IN UNITS BY GENERATION



SEMICONDUCTOR LITHOGRAPHY SYSTEMS SALES IN UNITS BY TECHNOLOGY (INCL. REFURBISHED)



Forecast for the Year ending March 31, 2019: Foreign Exchange Rate Impact



| | Exchange Rate | Financial Impact from fluctuation by 1 yen | |
|-------|----------------------------|---|---------------------------|
| | FY19/3 Q2~Q4 Assumption | Revenue Q2~Q4 | Operating Profit Q2~Q4 |
| US \$ | ¥ 105 | Approx. ¥2.1 billion | Approx. ¥0.2 billion |
| EURO | ¥ 130 | Approx. ¥0.6 billion | Approx. ¥0.3 billion |

Note: If the emerging-market currency trends do not move in accordance with USD and EURO, our expectation above may be affected.



NIKON CORPORATION