

# Nikon IR Day 2022



## Medium-Term Management Plan (FY2022 - 2025)

Making a better world with trust and creativity

May 26, 2022

NIKON CORPORATION

## – Themes and Presenters –

- **Opening Remarks**
- **Imaging Products Business**
- **Precision Equipment Business**
- **Healthcare Business**
- **Components &  
Digital Manufacturing Business**
- **Sustainability Strategy,  
Corporate Governance  
and Capital Allocation**

**Toshikazu Umatate**  
Representative Director  
President

**Hiroyuki Ikegami**  
Senior Vice President

**Masato Hamatani**  
Senior Vice President

**Tatsuya Yamaguchi**  
Corporate Vice President

**Yasuhiro Ohmura**  
Senior Vice President

**Muneaki Tokunari**  
Director  
Executive Vice President



# Opening Remarks

**Toshikazu Umatate**  
Representative Director  
President



Vision 2030

Redisplaying of Medium-Term  
Management Plan (FY2022-FY2025)  
announced in April 2022

# A key technology solutions company

in a global society where humans and machines co-create seamlessly

Nikon will provide innovative technology solutions that anticipate and meet our global customer needs and contribute to a better sustainable world where humans and machines co-create seamlessly to solve societal challenges

# Beyond 2025: Nikon and the Social Landscape in 2030

A global society where humans and machines co-create seamlessly cycling through physical and cyber space

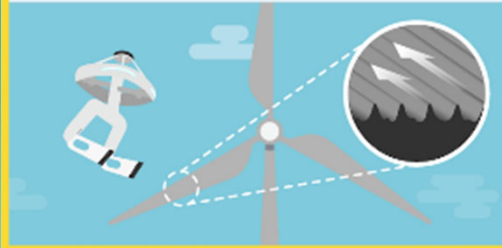
## Factory

Become a lead player in flexible manufacturing systems with Robot Vision and Material Processing  
Contribute to the diversification and sophistication of devices with digital lithography



## Energy

Leverage optical processing machines to promote energy efficiency improvements with fine processing and re-use with additive processing



## Healthcare

Support drug discovery that lightens the burden on doctors and patients  
Shoulder the task of achieving regenerative medicine for everyone



## Life & entertainment

Support a society where people are connected in ways that transcend time and space and virtual and reality with image infrastructure production technologies



Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

# An Overview of the Medium-Term Management Plan

## Where we will be in 2025

Providing Products and Services optimized to meet our customer needs

### Direction for the entire company

**Strengthen delivery of integrated solutions** to grow the business in a stable manner, expand both revenue and profits, and continually generate social and economic value

#### Sustain “Main Businesses”

Imaging

Precision Equipment

Expand customer interactions and the value delivered to secure stable revenues

#### Scale earnings in “Strategic Businesses”

Healthcare

Components

Digital Manufacturing

Create new value with customers in promising markets and areas of differentiation

FY 2025 financial targets

Revenue ¥700.0B

Operating margin 10%+

ROE 8%+

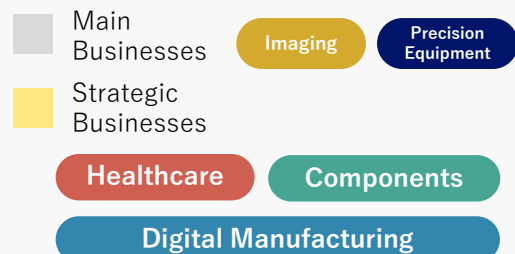
### Management base

Advance sustainability strategy, human capital management, and DX with a focus on customers and employees  
Create synergies across a shared value base that spans technology and manufacturing  
Highly transparent management with enhanced corporate governance

# Aim for ¥ 700.0B Revenue and 10%+ Operating Margin

## Expand revenue

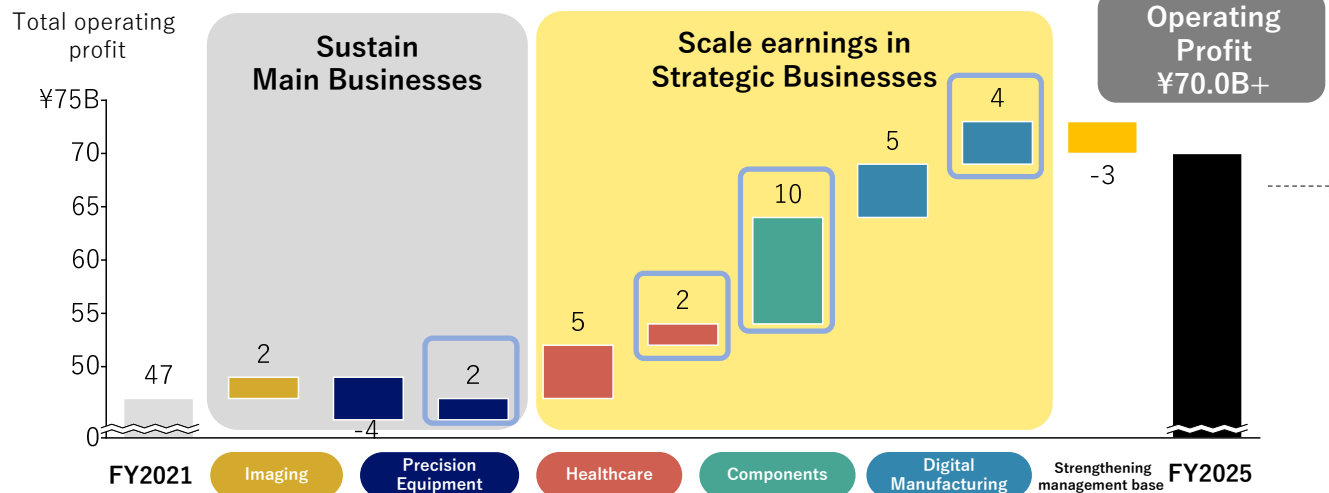
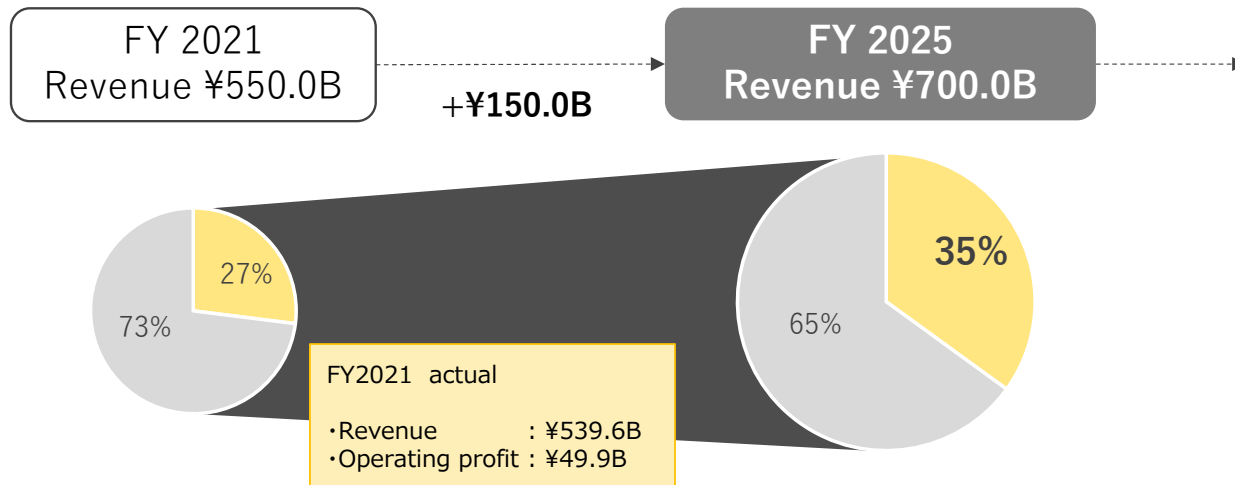
Strategic Businesses account for 35% of revenue by FY2025



## Expand operating profit

Sustain Main Businesses and grow earnings in Strategic Businesses to get to ¥70.0B total operating profit (consolidated operating profit)

  Indicate earnings from services and components



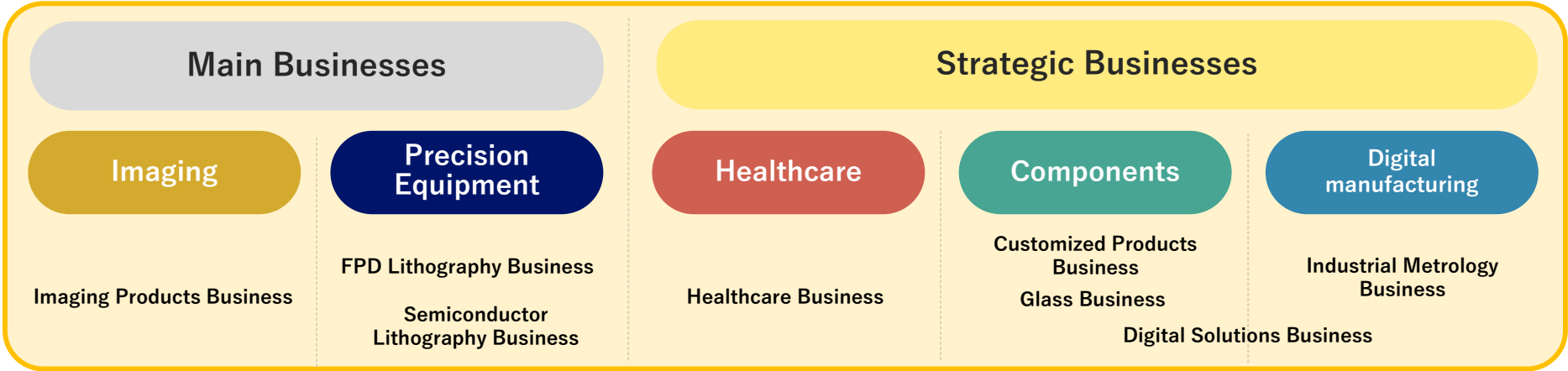
Improve profitability

Operating margin 10%+

\*FY2021 levels based on business performance forecasts announced February 3, 2022. The breakdown of operating profit is an approximation.

# Business Operation Structure

Business domain



## Getting to where we will be in 2025

Common strategy across all businesses

- Operating in lockstep and co-creating with the customers over the mid- to long-term**
- Integrated delivery of end products, services and components**
- Strengthen application development and synergies inside and outside the company**
- Scale up growth drivers**

- Deeply align with customer needs
- Strengthen delivery of integrated solutions and optimize organization
- Core technologies (opto-electronics and precision technologies) × Open innovation
- Allocate resources to growth drivers in all businesses





# Imaging Products Business

**Hiroyuki Ikegami**  
Senior Vice President

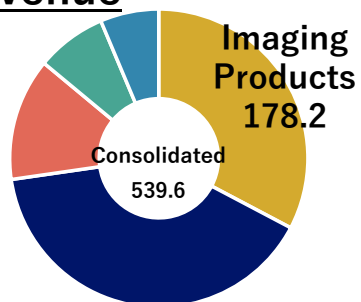
# Imaging Products: Business Outline

Imaging Products Business

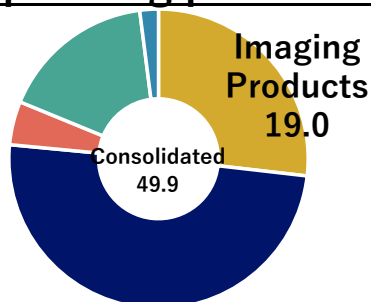
FY2022/3

Billions of yen

## Revenue



## Operating profit (※)



(※) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

## Major products & Services

Digital cameras, Interchangeable lens  
Binoculars, Telescopes, Image contents, Automatic image capture



Mirrorless Camera [Z 9]



Mirrorless Camera [Z fc]



NIRRO Lens



「NIKKOR Z 70-200mm f/2.8 VR S」

## Vision

Expand the possibilities for visual expression and acquire overwhelming support from all generations of fans around the world

## Financial target

	FY2023/3	FY2026/3
Revenue	¥210.0B	¥200.0B
Operating profit	¥22.0B	¥22.0B
OPM	10%	11%

# Imaging Products: Business Strategy

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

## Imaging Products Business

### Vision

Expand the possibilities for visual expression and acquire overwhelming support from all generations of fans around the world

### Operational direction

#### Digital cameras

- Concentrate management resources in high value-added products and mirrorless cameras (Meet expectations of pro/hobbyists and raise ASP 20%)
- Bolster the Z mount system by expanding lens lineup (50+ lenses and a 2+ lens tie ratio)
- Appeal to video creators by strengthening video functions
- Strengthen remote operation and automatic image capture features to meet professional needs
- Focus on licensing business

#### Binoculars, telescopes, etc.

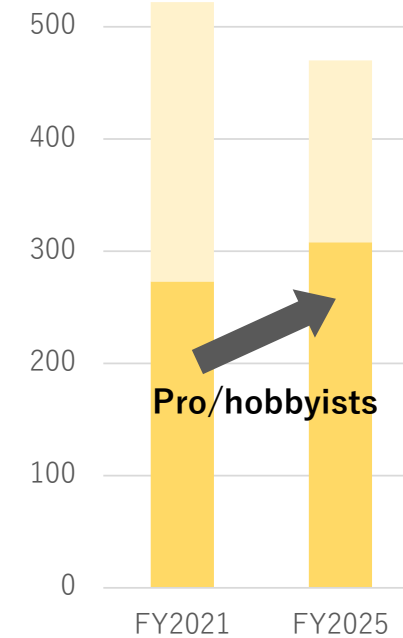
- Focus on laser range finders for golf and digital astronomical telescopes

### Earnings plan

Achieve revenue of ¥200.0B and Operating profit margin of 10% on a stable basis

### Direction for Imaging Products Business

Market scale for digital cameras-interchangeable lens type (10,000 units)



#### For pro/hobbyists

- Deploy advanced features from the Z 9 across the lineup

+

#### Cultivate, expand fan base

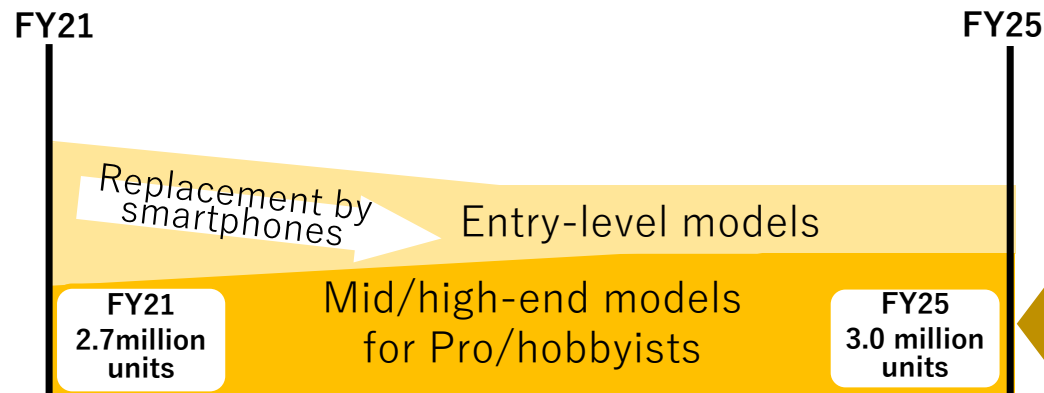
- Bolster engagement before and after purchase
- Focus on apps and the cloud

\* Lens tie ratio = Lens sales (units) ÷ Camera sales (units)

# Market view, Product Strategy and KPIs

## Market

DCIL market is shrinking as the replacement of entry models for recording purposes with smartphones is progressing. However, greater demand for video expression growing market for mid/high-end models for pro/hobbyists. Assuming market scale of stable 3 million units by FY2025.



### Mid/high-end market: More young photography enthusiasts and broader use cases for video

- The number of Use on Instagram has nearly doubled over the past 6 years
- Consumers in their 20s or younger increasingly motivated to purchase DCIL for “better pictures than a smartphone” and “use on social media”
- The number of users motivated by “video shooting” has more than tripled over the past 6 years.

\*Nikon research

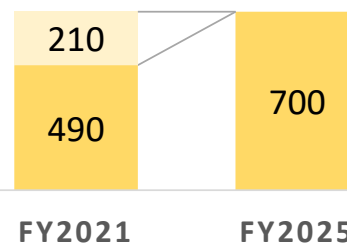
## Business strategy

- Focus on mid/high-end models for pro/hobbyists
- Strengthen products & services responding to young hobbyists and video needs
- Strengthening the earnings base by expanding the lens lineup
- Promotion of fan building

## KPI

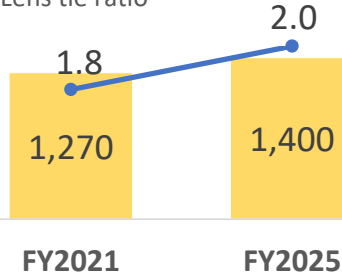
### DCIL (unit: 1,000)

- Entry models
- Mid/high-end models

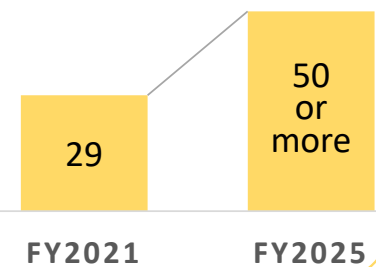


### Interchangeable lens Lens tie ratio

- Intechangeable lens (unit: 1,000)
- Lens tie ratio



### Z mount lens lineup



# Product Strategy

## Imaging Products Business

The launch of Z 9 with substantially upgraded video performance has rapidly opened the market for video professionals and creators.



- Received both the “Camera of the Year” and “Readers Award” in the Camera GP 2022
- Top selling professional flagship full-frame mirrorless camera in the first quarter of 2022 in the USA

Compared to conventional dedicated video recorders, its superb AF performance and significantly smaller size and lighter weight enables one-person operations

- 8.3K60p 12bit RAW video
- Dust and water resistant. Fanless structure. Does not shut down with heat.
- 2+ hours of long-lasting shooting
- Superb AF performance including the lens
- Priced to meet individual needs, too

Increasingly adopted in production site and broadcast station settings as a video camera that supports professionals’ workflows.



- Support video shooting ecosystem by actively allying with specialized accessory makers
- Strengthen video lineup



# Remote Workflows Supporting Professional Needs

Support demand for capturing emotive moments that could not be captured before and win high marks from professionals

Needs to be quiet to allow for concentration  
Use case: Go and Shogi competitions



Capture images from angles that humans cannot position themselves in to capture moments as dynamic scenes (sports competitions)



## Future

Achieve unprecedented shooting by automatically and continuously capturing images so as not to let decisive moments pass by

Further upgrade remote image capturing features such as stability, immediacy and mobility

### Apps and hardware that support Nikon's remote image capture system, which is highly regarded by professionals

- NX Field**  
Control of multiple cameras and high-speed forwarding
- NX MobileAir**  
Editing of image information  
High-speed forwarding from smartphone



**MRMC POD**  
Mobile camera pan head equipped with flagship camera



※MRMC is a part of the Nikon group of companies

# Growth Drivers: Imaging Contents

## Imaging Products Business

Support a society where people are connected in ways that transcend time and space with imaging production technologies

### Needs in society and industry

- New imaging expressions and connections with people
- Reduced costs in contents production
- Education and remote work support that is reproducible and effective

### Nikon's strengths

- Imaging technologies such as volumetric, 3D capture and 360°
- Japan's first partner company of Microsoft Mixed Reality Capture Studios

### Business development

- Recruit external talent and started operations at Nikon Creates Corporation
- Deliver solutions and support production of sophisticated 3D and 4D contents with a broad range of creators and producers
- Externally supply VR and MR after enhancing effectiveness on our own production floors



**Metaverse** (Citigroup announced Apr. 2022)  
Market size : approx. ¥980T~¥1,600T(2030)  
Numbers of users : 5B(2030)  
Target market : Art/Media/Advertisement/  
Healthcare/Marketing/Sales, etc.



Deploy a variety of contents and solutions toward a digital twin society

### Contribute to 3D/4D space made by creators

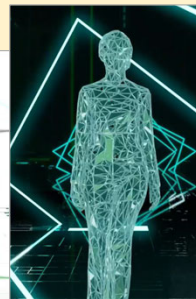
**Image production leveraging volumetrics imaging and LED virtual production** Achieve high-quality contents and workflow innovations leveraging Nikon's imaging and robotics technologies

3D capturing technology

Image processing technology

Robotics technology

Produce and deliver contents to a digital twin society



Volumetrics imaging

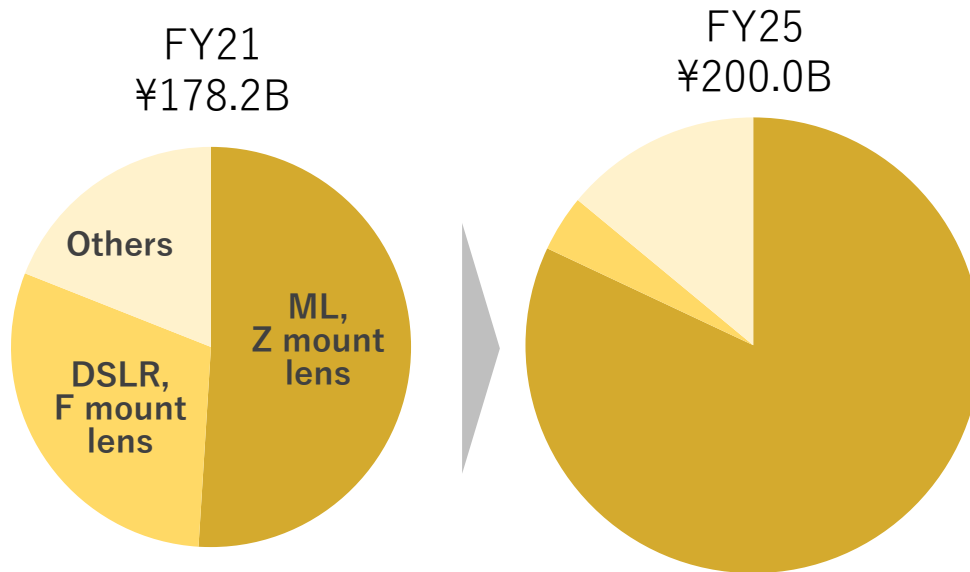
LED virtual production

Summer 2019 : Commercialized volumetrics imaging (UK The Open)  
Spring 2022 : Nikon Creates Corp. Began operations in Japan

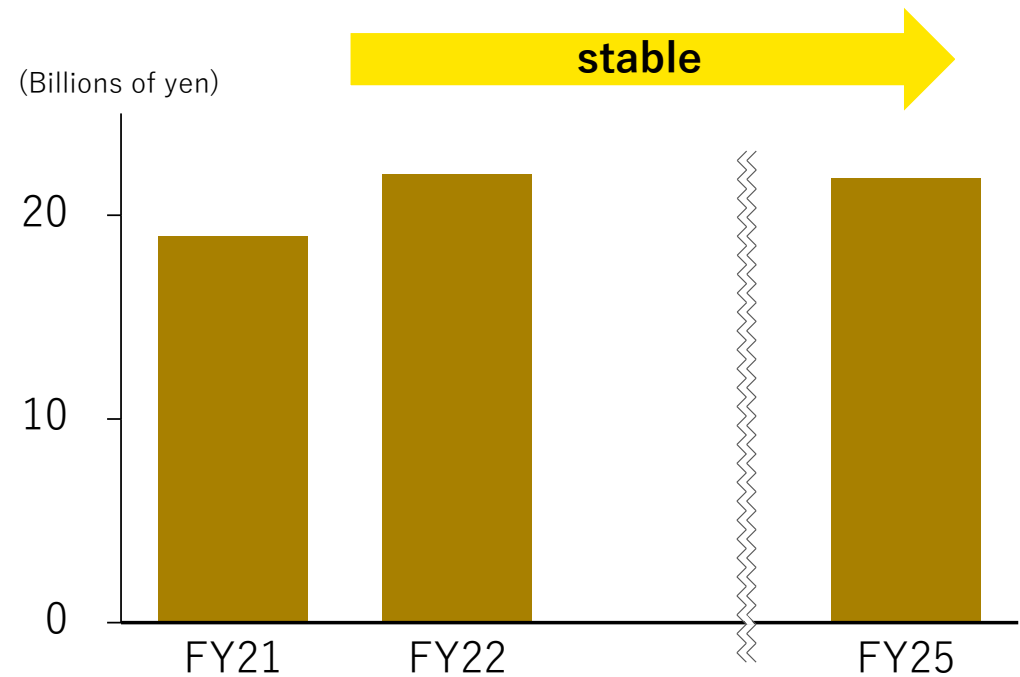


# Imaging Products: Earnings Plan

## Revenue



## Operating profit



Support Nikon brand with stable operating profit of approx. ¥20.0B during the period of the Medium-Term Management Plan



# Precision Equipment Business

**Masato Hamatani**  
Senior Vice President

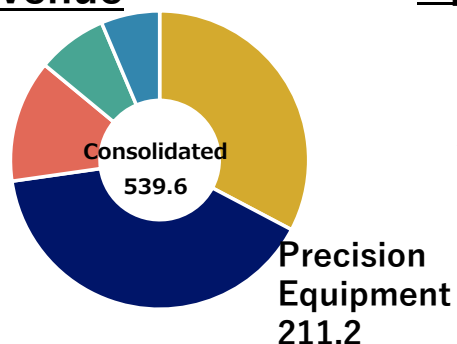
# Precision Equipment: Business Outline

Precision Equipment  
Business

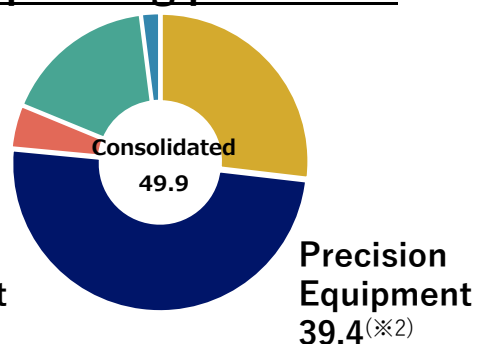
FY2022/3

Billions of yen

## Revenue



## Operating profit (※1)



## Vision

Continue delivery of  
innovative solutions to customers  
and  
support a digital society

## Major products & Services

Lithography systems, Measuring & Inspection systems,  
Digital lithography, Services



FPD Scanner  
「FX-103S/SH」



rF immersion  
Scanner  
「NSR-S635E」



Alignment Station  
「Litho Booster」



Automatic Macro  
inspection system  
「AMI-5700」

## Financial target

	FY2023/3	FY2026/3
Revenue	¥240.0B	¥260.0B
Operating profit	¥35.0B	¥36.0B
OPM	15%	14%

(※1) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

(※2) "Next Generation Project Div." transfers from Precision Equipment Business to Corporate P/L non-attributable to any reportable segments

# Precision Equipment: Business Strategy

## Precision Equipment Business

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

### Vision

Continue delivery of innovative solutions to customers and support a digital society

### Operational direction

#### FPD

- Advance technology development to support next-generation panels (Pursue higher resolution and productivity)

#### Semiconductor

- On-the-mark support for customer plans (Secure production capacity)
- Strengthen initiatives toward expanding new accounts (Support individual customer needs such as 3D)
- Expand sales in peripheral equipment (inspection and measurement)

#### Services

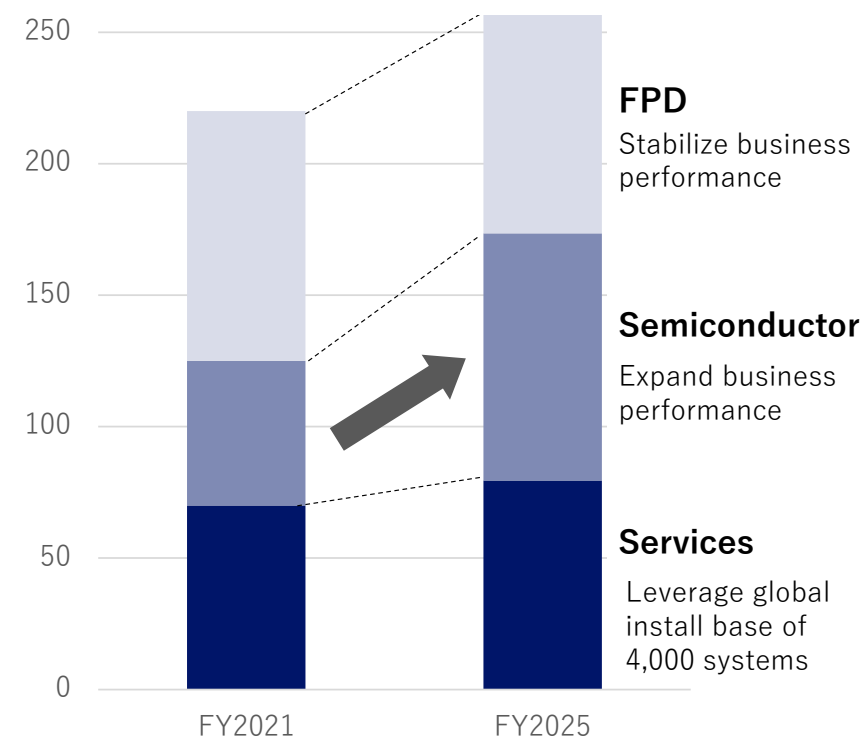
- Support demand to relocate existing lines or modify equipment (Includes maintenance and parts supply)

### Earnings plan

**Secure stable operating profit of ¥30.0B+**  
(Operate across both FPD and Semiconductor)

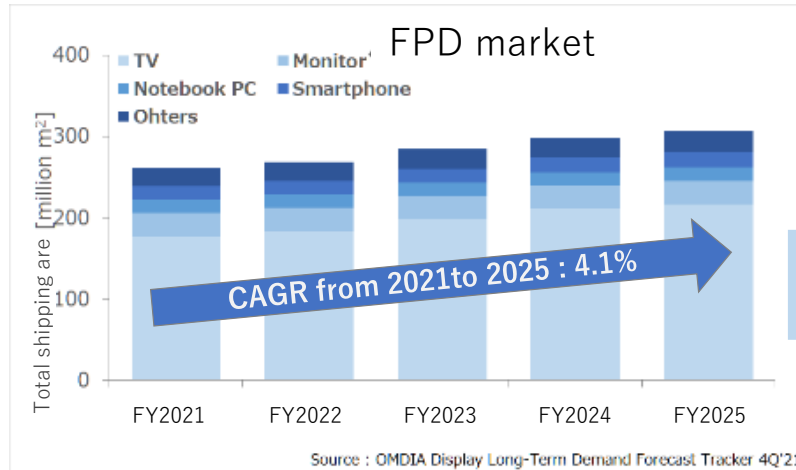
### Direction for Precision Equipment Business

Breakout of revenue (Billions of Yen)



\*Effective April 1, 2022, the Next-generation Projects Division will be transferred from Precision Equipment to Corporate P/L non-attributable to any reportable segments.

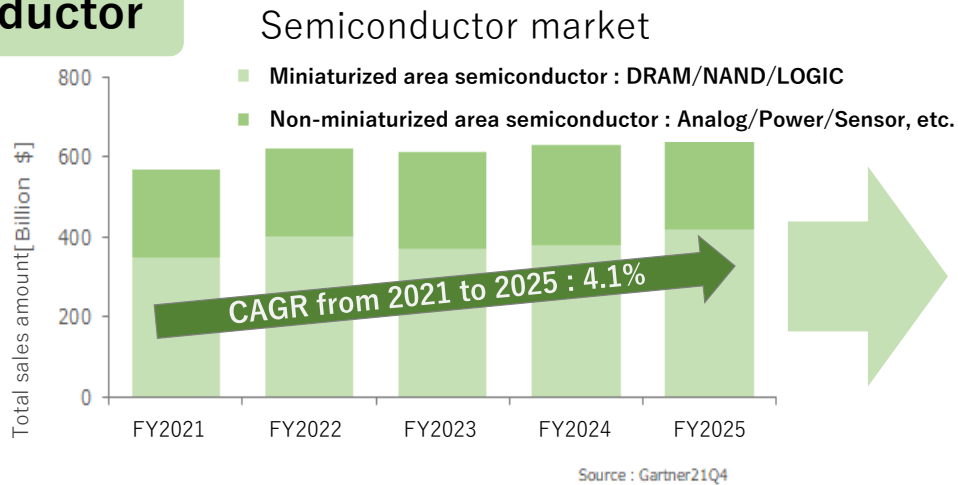
### FPD



- Market to grow 4% YoY (by area base) mainly in OLED, driven by larger display for TVs and mobile phones
- The number of exposure processes increases with the increasing functionality of the panel

Market scale for FPD lithography systems holds steady to a certain degree, despite decline in large-scale investments

### Semiconductor

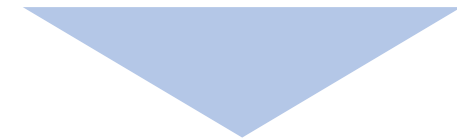


Growth in both miniaturized logic and memory as well as non-miniaturized analog and power devices, driven by AI, 5G & 6G, IoT, autonomous driving and various other fields

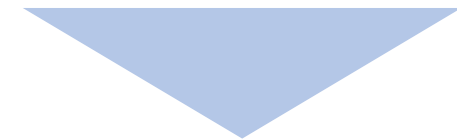
Market for semiconductor lithography systems continues to grow



Enhance customer satisfaction by delivering high-precision, high-productivity Products and high value-added Services

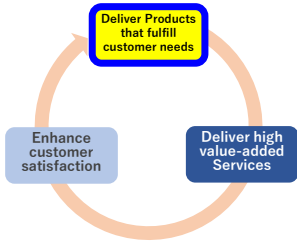


Capture new demand for systems



Create a business model with a virtuous cycle

Complement each other (Semiconductor and FPD) across economic cycles



## Deliver Products that fulfill customer needs

Ascertain needs through customer intimacy

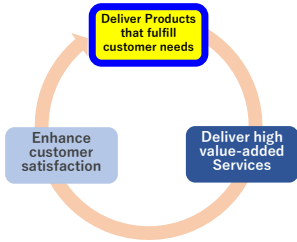
### Small and mid-size panels

- Pursue even higher resolution for VR and AR applications
- Differentiate through enhanced CoO

### Large panels

- In March 2022, release FX-88S with high resolution support for G8 sizes manufacturing IT panels
- Drive further productivity gains in G8 systems and improve CoO
- Improve productivity in G10.5 systems, too

Provide on-target support for customer needs by pursuing higher resolution and productivity



## Deliver Products that fulfill customer needs

Ascertain needs through customer intimacy

### i-line/KrF

- Expand product lineup with new product launches and grow sales, given broader adoption of semiconductors
- Return to market where there are lithography system shortages (mainly 200mm wafer systems)

### ArF Dry/ Immersion

- Leverage alignment station to achieve higher precision and productivity
- Expand customer base targeting device markets where ArF immersion systems will continue to be mainstream (3D-NAND memory, CIS, etc.)

Prepare production infrastructure and accurately support customer needs and investment plans

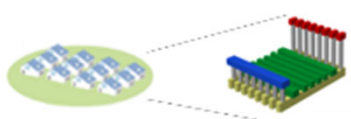


# Precision Equipment: Semiconductor Supporting 3D Semiconductors

## Precision Equipment Business

### 2D semiconductor

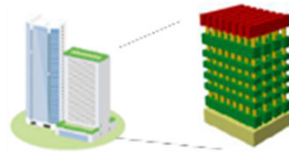
Memory is flat with limitations on memory capacity (single story housing)



Flat wafer

### 3D semiconductor

Layered vertically, increasing memory capacity (high-rise building)



Warped wafer

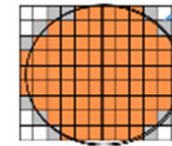
Wafer warps during vertical layering process

- In the manufacture of 3D semiconductors, needs for multipoint measurement increases with greater wafer warping.
- Nikon provides solutions enabling high-precision lithography without sacrificing productivity

Pursue activities to expand sales at device makers for 3D NAND memory and CIS and the like, where ArF immersion will continue to be mainstream



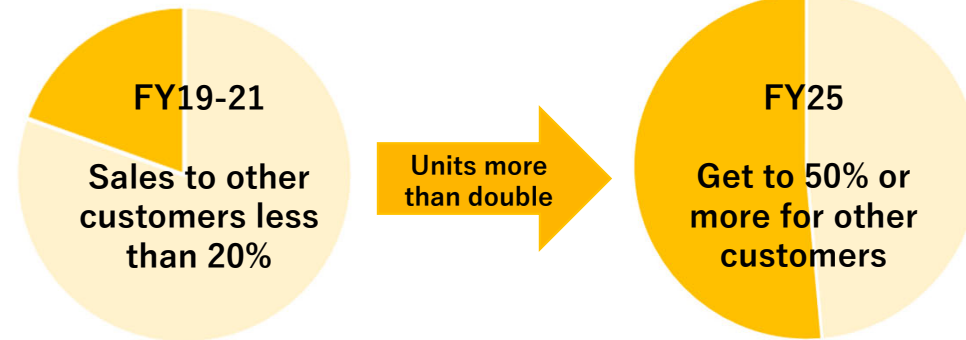
Alignment Station



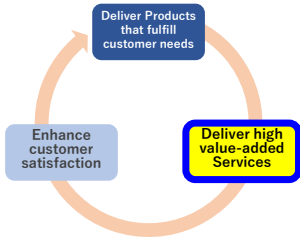
All-shot (96 points) measurement of a warped wafer

During lithography of one wafer, the next wafer can undergo measurement at the alignment station. Those measurement results can be reflected into the lithography of that wafer, thereby providing the needed precision.

### ArF dry / ArF immersion lithography system sales plan



Core customer Other customers



## Deliver high value-added Services

Working with 4,000+ install base

### FPD

- Propose lens refurbishment and the like for installed systems
- Provide Fab Solutions such as preventive maintenance
- Expand modification items that improve performance (precision, productivity, etc.)

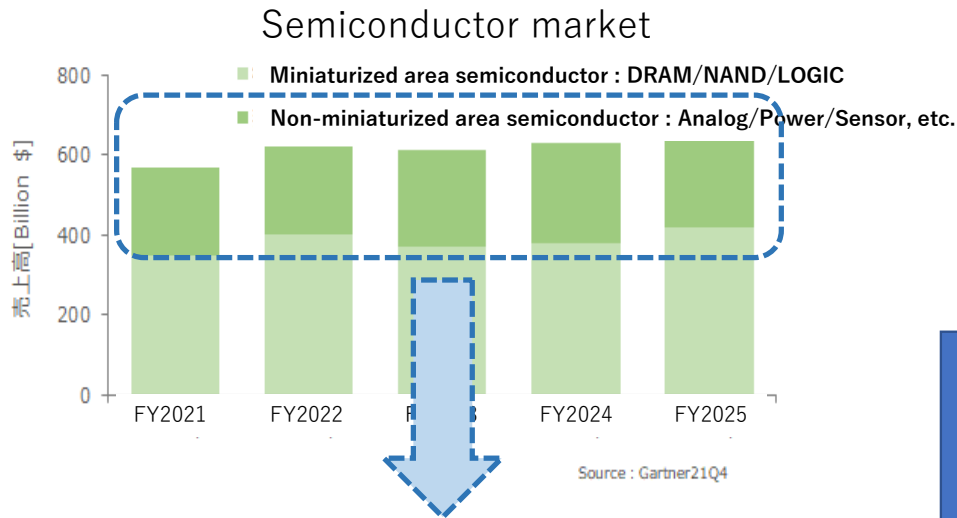
### Semiconductor

- Bolster support for replacement of and service-life extension on installed systems
- Provide on-target support for needs to enhance performance or make modifications to move lines
- Provide solutions for manufacturing processes that leverage measurement instruments

Accurately grasp and respond to the needs associated with customer equipment wear and tear, changes in production items, etc.

# Precision Equipment: Semiconductor Service Business

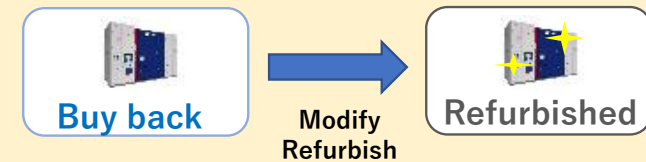
## Precision Equipment Business



Strong demand for non-miniaturized semiconductors for IoT and EV, etc.

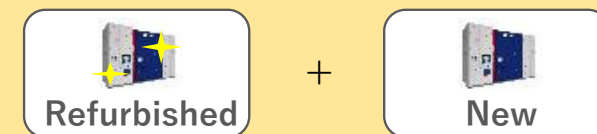
Active demand for i-line and KrF production equipment for non-miniaturized semiconductors coupled with recent semiconductor shortage

**【Until Now】** Buy back systems we sold in the past and modify or refurbish for used system sales



Refurbished market depressed due to brisk production activity at semiconductor makers

**【Future】**  
In addition to refurbished business, launch new products that meet the needs of a refurbished market that is drying up



# Growth Drivers: Digital Lithography

## Deliver new value for diversifying device production

### Needs in society and industry

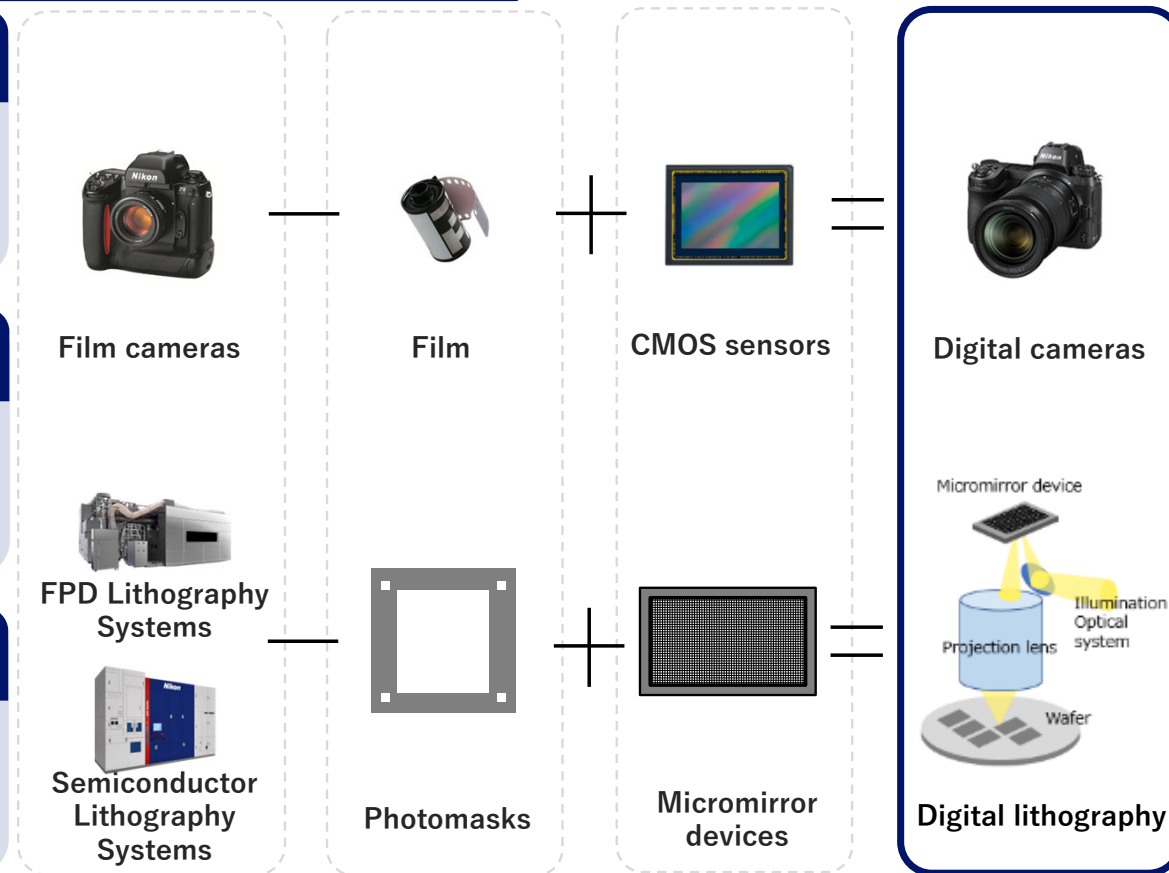
- High-speed prototyping and flexible manufacturing system for devices
- Reduction in processes, costs and environmental burden through photomask reduction

### Nikon's strengths

- Optical systems that achieve both high resolution and productivity
- Ability to support chip-by-chip ID lithography, greater lithography surface areas and higher resolutions in advanced packaging

### Business development

- Work with partners and accelerate commercialization
- Advance from R&D and prototype lines into commercialization and deliver value different from existing lithography systems



Expect profit contribution by 2030 as a long-term growth driver

### Digital lithography core technologies

#### Data conversion systems

- High-speed conversion to SLM pixel data

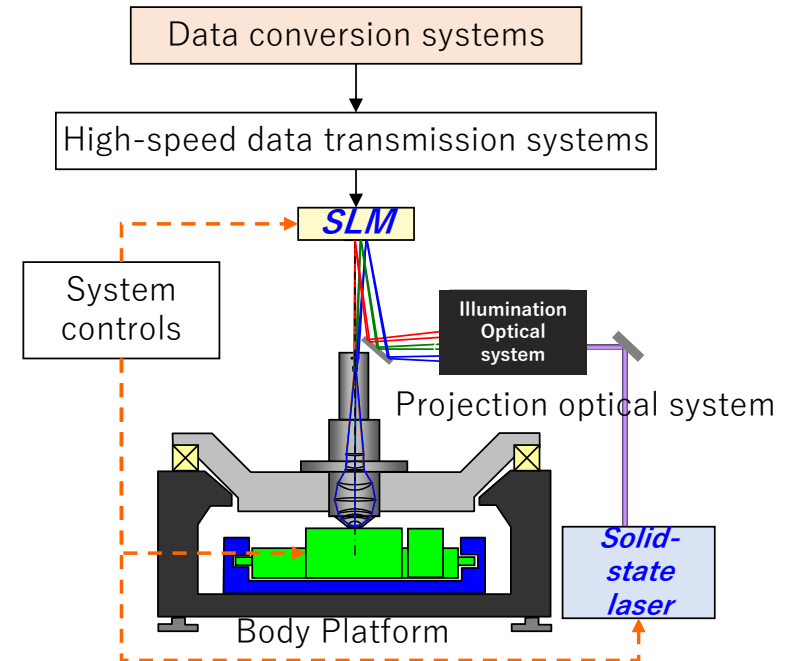
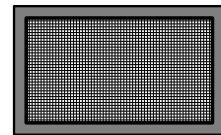
#### SLM (Spatial Light Modulator)

- Micromirror device
- High-speed mirror drive

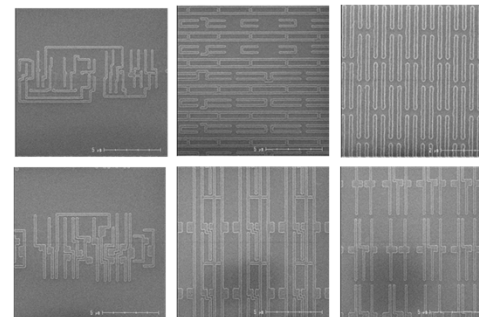
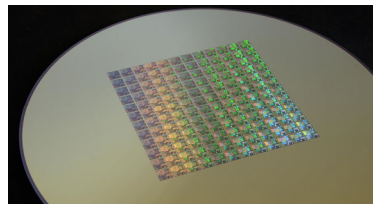
#### Solid-state laser

(Nikon proprietary development)

- Wavelengths ( $\lambda$ ) 193nm, 248nm
- High-repeat frequency (No. Of MHz)



180nm node  
Logic IC  
Pattern example



# Growth Drivers: Semiconductor Digital Lithography Target

Precision Equipment Business

## Applications

### High-speed prototyping and low-volume production of devices

- Eliminate cost of photomasks
- Easy to change design

### Chip design customization

- Chip individualized ID lithography (Security code, etc.)

### Large surface area lithography

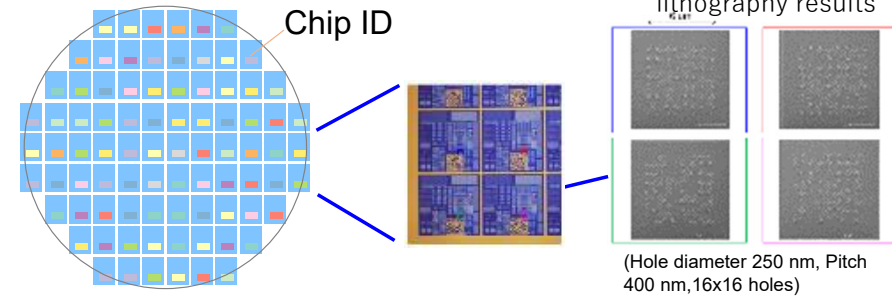
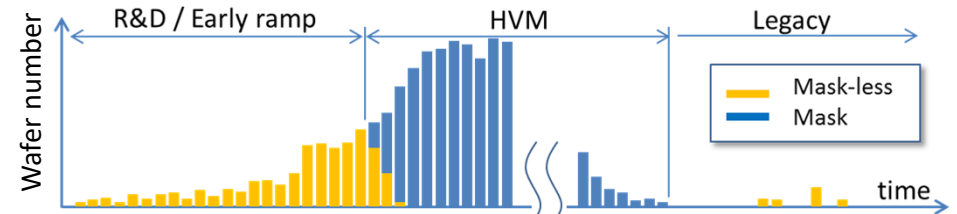
- Wafer-scale chip

## Customers

Research labs  
Foundry

Low-volume,  
high-variety  
Device makers

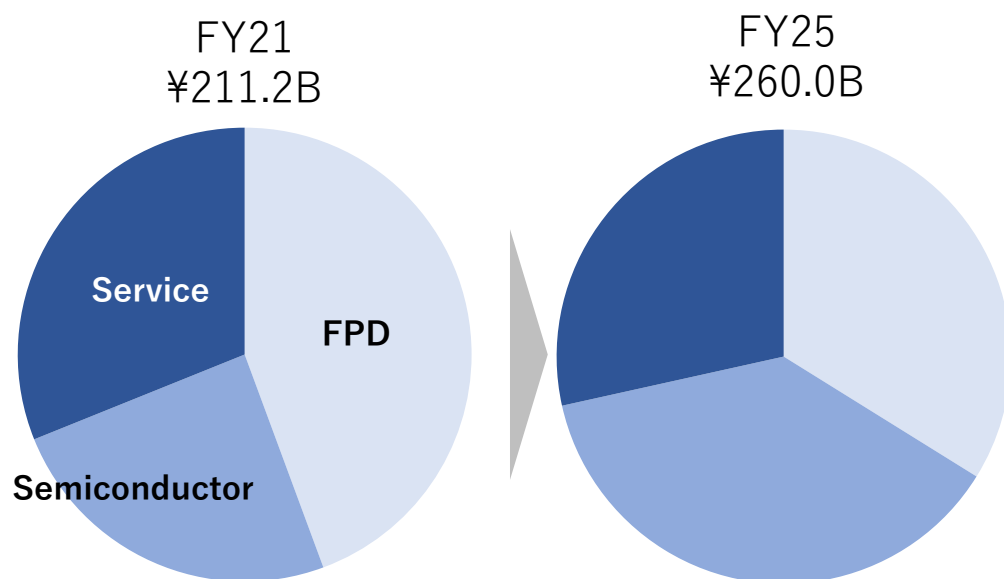
Packaging  
Makers



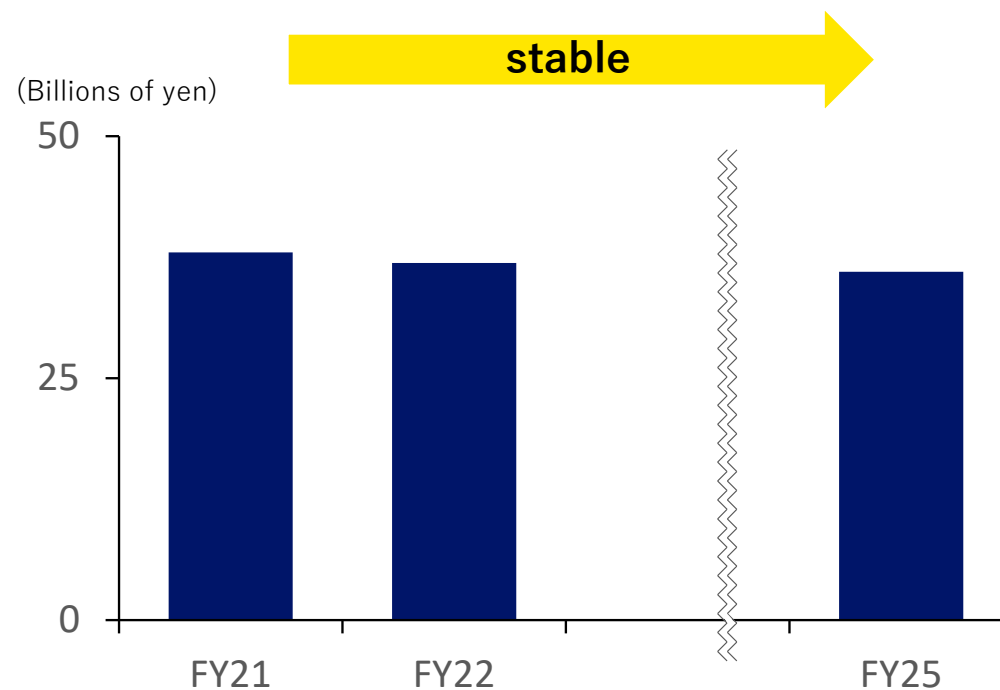
# Precision Equipment: Earnings Plan

Precision Equipment  
Business

## Revenue



## Operating profit



Secure stable operating profit of ¥30.0B+  
(Operate across both FPD and Semiconductor)



# Healthcare Business

**Tatsuya Yamaguchi**  
Corporate Vice President



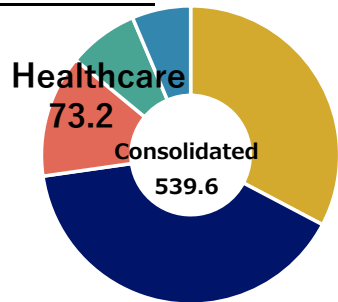
# Healthcare: Business Outline

Healthcare Business

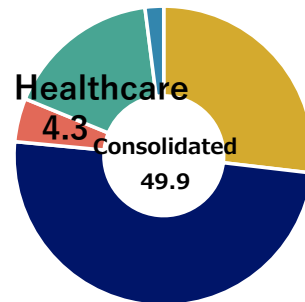
FY2022/3

Billions of yen

## Revenue



## Operating profit (※)



(※) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

## Major products & Services

Biological microscopes, Retinal diagnostic imaging system, Contract cell manufacturing(CDMO Business)



Confocal Microscope System  
[AX/AX R]



Ultra-Widefield  
retinal diagnostic imaging systems with  
Integrated UWF-Guided Swept Source OCT  
[Silverstone]



Contract Cell Manufacturing

## Vision

Support improving quality of life  
for people through innovation

## Financial target

	FY2023/3	FY2026/3
Revenue	¥80.0B	¥90.0B
Operating profit	¥6.0B	¥10.0B
OPM	8%	11%

### Vision

Support improving quality of life for people through innovation

### Operational direction

#### Biological microscopes

- Improve profitability via digitalization, stronger application development and lower COGS

#### Retinal diagnostic imaging systems

- Support more sophisticated diagnosis and from-home and remote diagnosis (Add AI diagnosis and OCT features, etc.)

#### Contract Cell Manufacturing

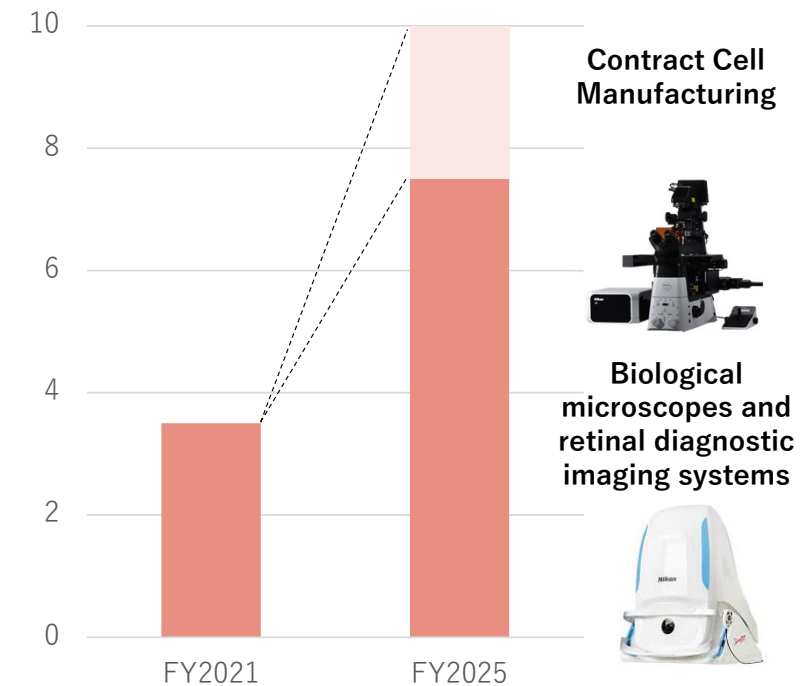
- Leverage Japan's largest production capacity in the field of regenerative medicine
- Advance several projects with major pharmaceutical companies and promising drug discovery ventures and grow operating profit to several billion yen.

### Earnings plan

Grow operating profit to ¥10.0B in 2025

### Direction for Healthcare Business

Breakout of operating profit(Billions of yen)

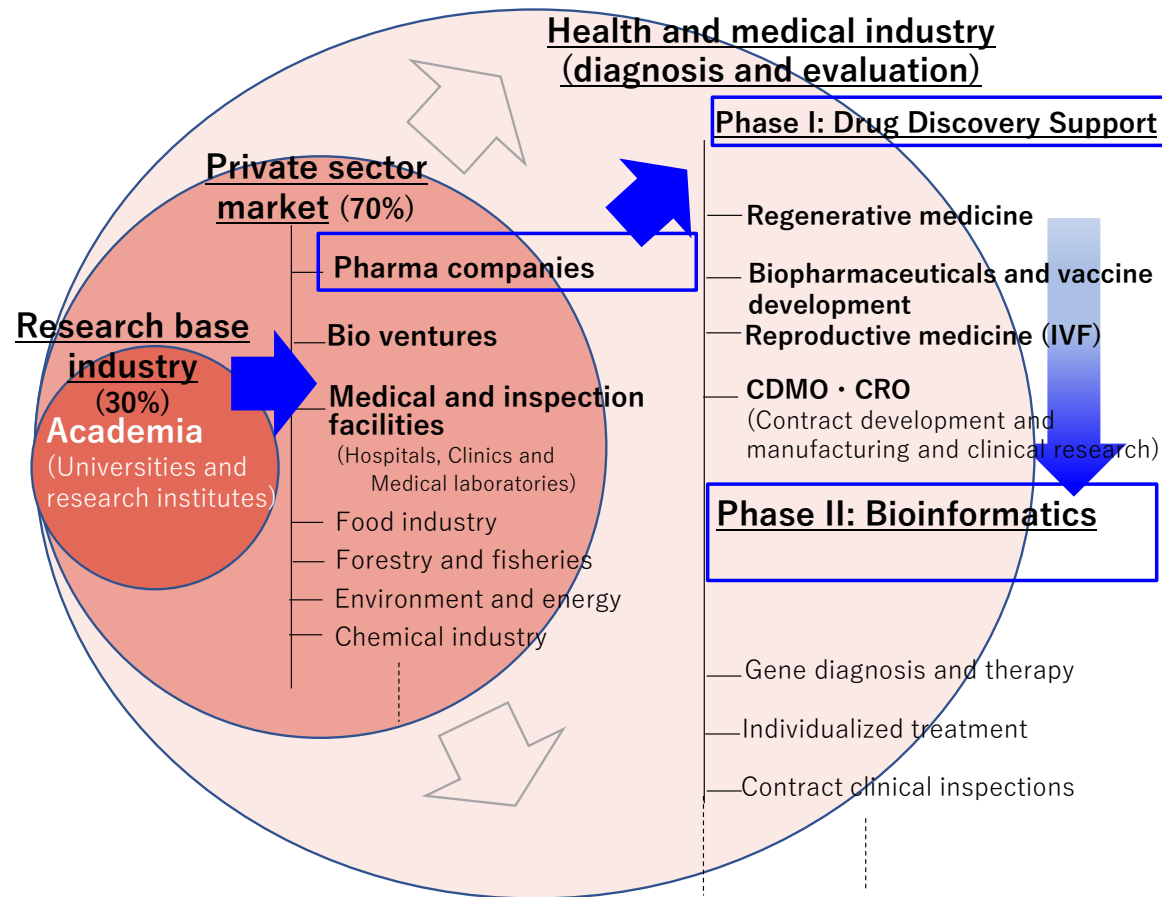


# Biological Microscopes: Business Direction

Healthcare Business

Market scale

**Biological microscopes market: ¥400B\***  
(Biotechnology industry)



## Nikon's differentiated technology

Image analysis and evaluation methods developed over many years in microscopes and know-how and knowledge in cell manufacturing

### Phase I (out to 2025)..... Build base for growth

- Apply technology acquired with academia to drug discovery support
- Establish presence in Japan, US and Europe for drug discovery support
- Strengthen application development and solutions proposals for pharmaceutical and bio venture companies



### Phase II (out to 2030) .....Support industrialization

- Develop new clinical modalities with clinical image and genetic data analysis and support pathological diagnosis
- Initiatives toward drug efficacy evaluation, automation of regenerative medicine production and flexible manufacturing

\*Market scale and percentages information are Nikon estimates based on various research data.

# Biological Microscopes: Concrete Initiatives toward Drug Discovery Support

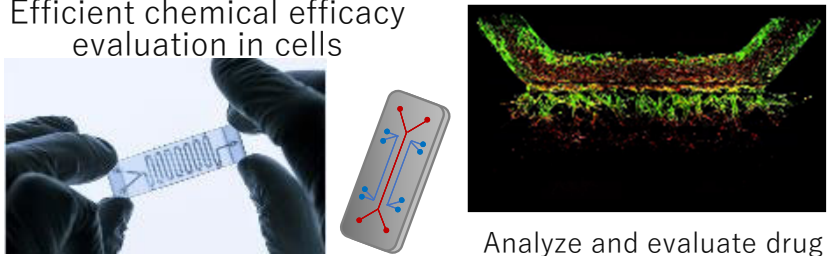
Healthcare Business

Drug discovery support:  
Three market approaches

**1**  
Low molecule drugs  
Use cells to evaluate a drug's efficacy

**Solutions**

**Organ-on-a-chip (OoC)**  
Efficient chemical efficacy evaluation in cells



Analyze and evaluate drug efficacy in 3D

Quantify drug efficacy

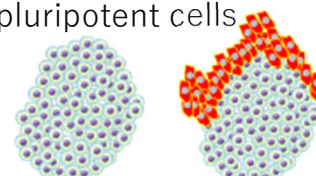
**Equipment**



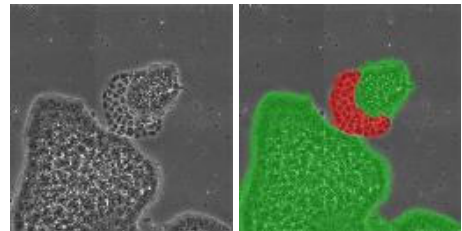
Confocal microscope

**2**  
Regenerative medicines  
Stable production of cells as a drug product

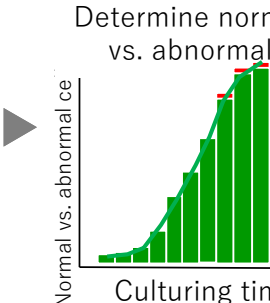
**Human iPS cells**  
Drug production using pluripotent cells



Normal iPS    Abnormal iPS



Detect normality/abnormality with image analysis



Determine normal vs. abnormal

Normal vs. abnormal ce

Culturing time (h)

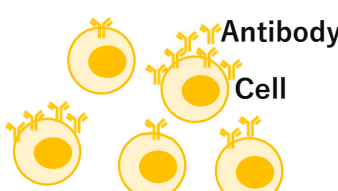
**Equipment**



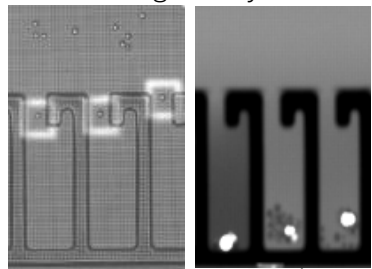
Cell Observation Device

**3**  
Antibody drugs  
Select cells with strong antibody production abilities


**Antibody-producing cells**  
Efficient cell selection



Antibody  
Cell



Cell manipulation    Production capability evaluation



Evaluate cells individually and select and collect target cells

**Equipment**



Multipurpose cell research and development platform

\* Global market scale (2020) Nikon estimates: 1. Low molecule drugs 873USDbn (CAGR2.9%). 2+3. Regenerative medicines + Antibody drugs: 389USDbn (CAGR7.7%)

# Biological Microscopes: Network Supporting Technology Development for Drug Discovery Support

Healthcare Business

## R&D sites

Active in joint research, collaboration and research support in the world's leading facilities

## Nikon BioImaging Lab

Drug discovery R&D support facility



### Europe (17 sites)

Opened September 2021

#### Netherlands



### Asia (5 sites)

Opened July 2021

#### Japan



### The Americas (19 sites)

Opened July 2019

#### USA



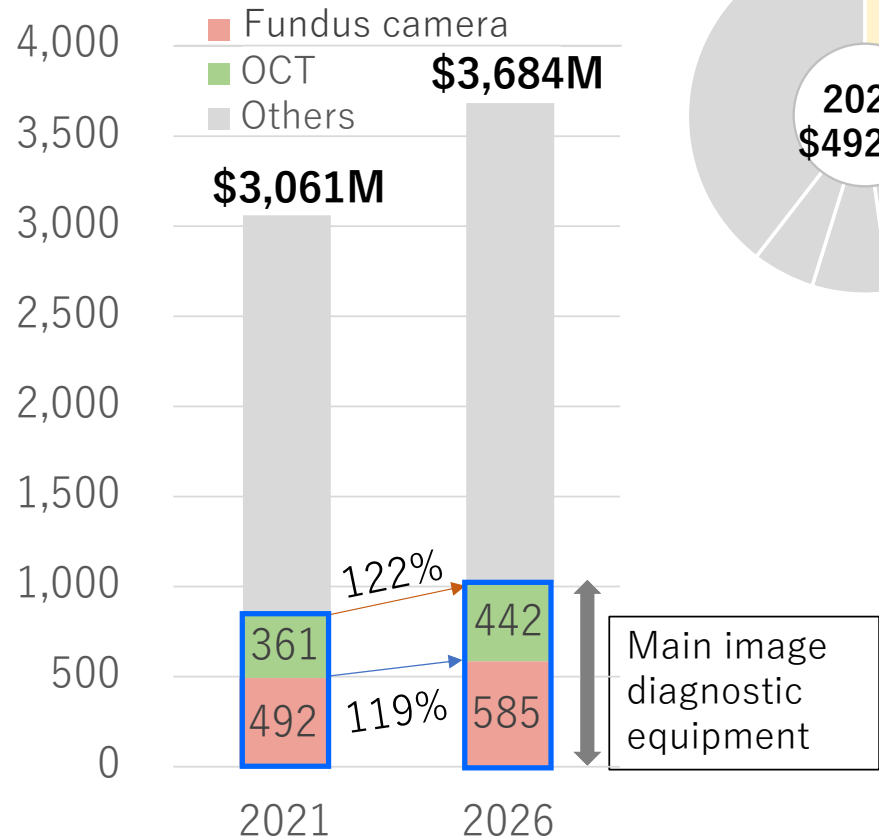
# Retinal Diagnostic Imaging Systems: Business Direction

Healthcare Business

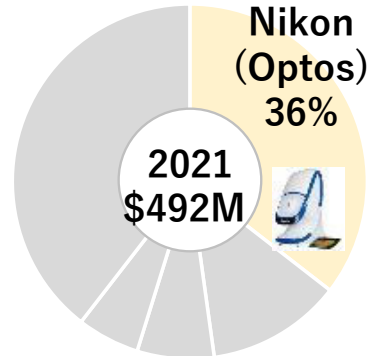
## Market scale

Ophthalmic diagnostic equipment market scale\* CAGR :3.8%

(Millions of USD)

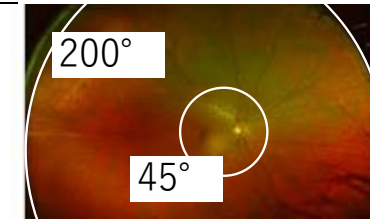
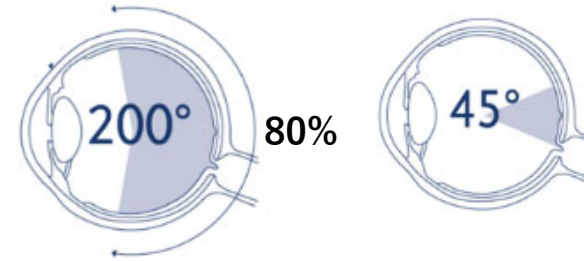


## Market share (by value)



## Optos' differentiated technology

Nikon(Optos) General fundus cameras



Capture images of about 80% of the fundus of the eye with ultra wide field, no dilation, at ultra high-speed (0.4s)

### Phase I (out to 2025): Develop the market and new technologies

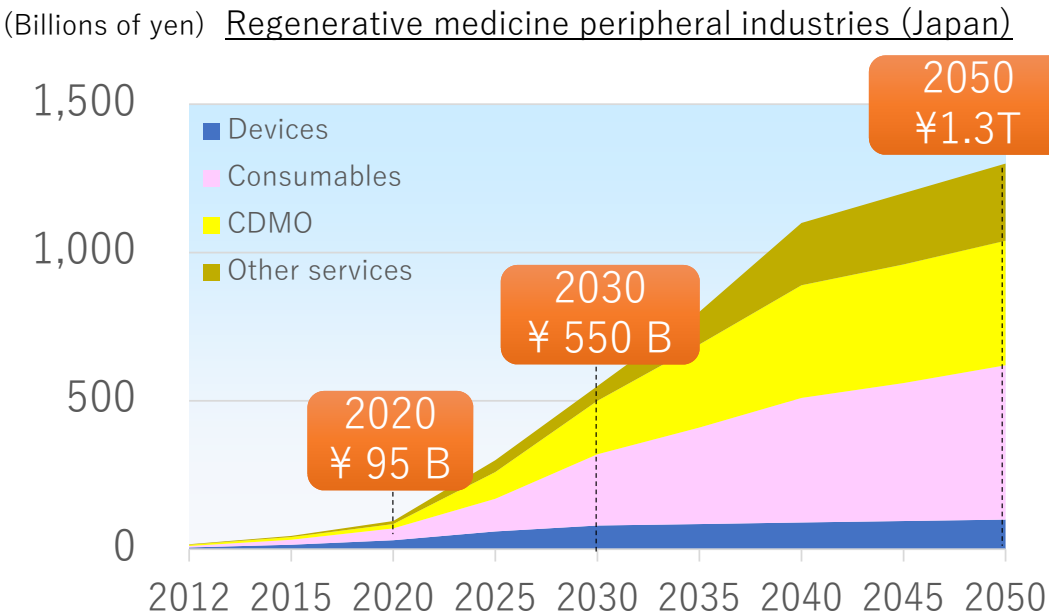
- Grow volume share (currently 10%) by developing Europe and Asia markets
- Expand into ophthalmologist market (Currently, Optometrist > Ophthalmologist)
- Develop new devices (equipment and software) and acquire diagnostic support technology

### Phase II (out to 2030): Develop diagnostic support systems

- More sophisticated diagnosis (combined diagnosis) and at-home assisted diagnosis
- Physician's fixed diagnostic support system. Disease prevention and prognosis management

# Contract Cell Manufacturing: Business Direction

## Market scale\*



## Nikon initiatives and strengths

- Business alliance with Lonza, the world's largest contract cell maker
- Japan's largest GCTP/GMP\* compliant production facility (7,500m<sup>2</sup>)
- Provide full range of contract services, from process development to commercial production
- Track record of many clinical studies and commercial projects in Japan

### Phase I (out to 2025): Build infrastructure for regenerative medicine industry

- Expand existing projects (expand clinical trials and commercial manufacturing)
- Capture promising pipeline and build up track record and know-how
- Strategic investment aimed at facility expansion and stable operations



### Phase II (out to 2030): Grow regenerative medicine into a standard treatment

- Support mass production: mass manufacturing at third parties
- Support flexible production: In-house simultaneous manufacture of multiple batches

\* Nikon forecasts based on March 2020 Ministry of Economy, Trade and Industry Evaluation Study Group for Industrialization of Regenerative Medicine and Gene Therapy

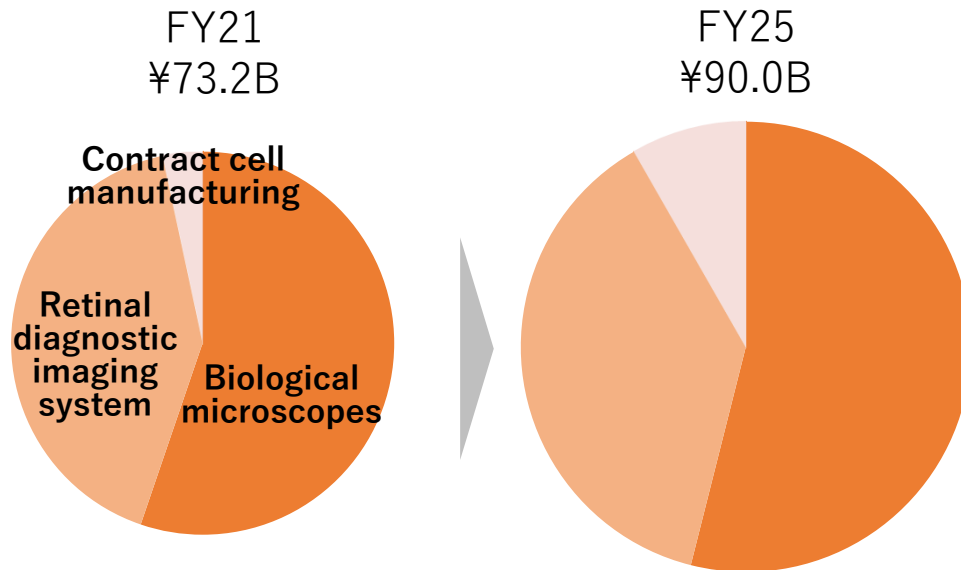
(\*)GCTP: Good Gene, Cellular, and Tissue-based Products Manufacturing Practice

(\*)GMP: Good Manufacturing Practice

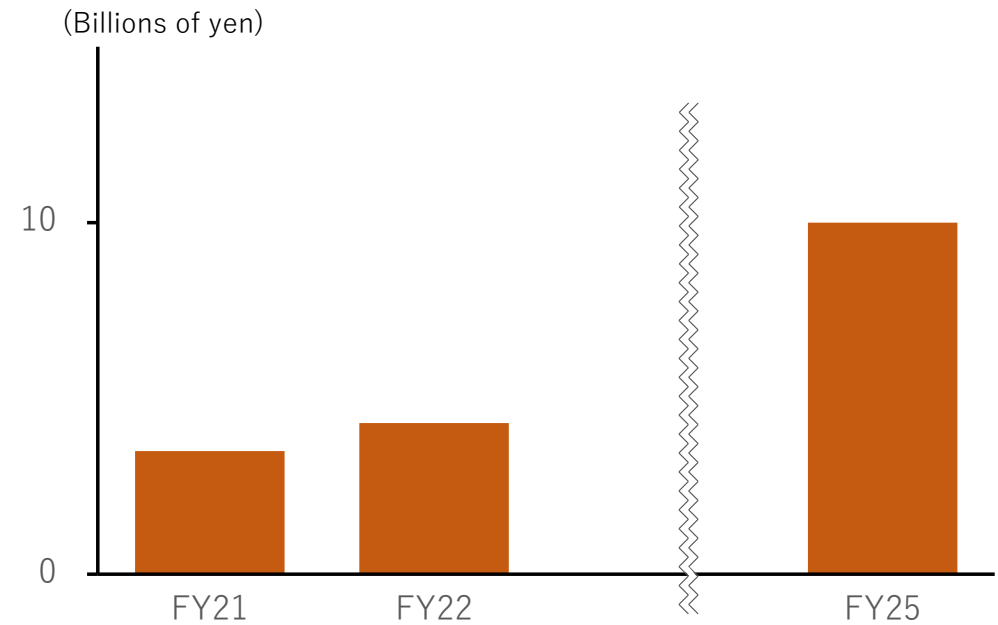
# Healthcare: Earnings Plan

Healthcare Business

## Revenue



## Operating profit



Grow operating profit to ¥10.0B in 2025





# Components Business

**Ohmura Yasuhiro**  
Senior Vice President

## (Reference) Differences between Financial Results and Medium-Term Management Plan Classifications

Segmentation for earnings reporting		Under the 2022-25 Medium-Term Management Plan
Reporting segment	Organization name & business	Business domain
Imaging Products	Imaging Products Business	Imaging
Healthcare	Healthcare Business	Healthcare
Precision Equipment	FPD Lithography Business	Precision Equipment
	Semiconductor Lithography Business	
Components	Customized Products Business	Components*
	Glass Business	
	Digital Solutions Business (Optical components, etc.)	
	Digital Solutions Business (Material Processing, Robot Vision)	Digital Manufacturing
Industrial Metrology and Others	Industrial Metrology Business	management base
	Other	
Corporate P/L non-attributable to any reportable segments	New business development costs (Next-generation Projects Division) G&A expenses, etc., for basic research and HQ functions	

### Adjustment to Classifications under the Medium-Term Management Plan

- **Components\***

= Excludes "Material Processing, Robot Vision" included in the Digital Solutions Business from the reporting segment of "Components"

- **Digital Manufacturing**

= Adds above mentioned "Material Processing, Robot Vision" to Industrial Metrology Business included in the reporting segment of "Industrial Metrology and Others"

### Adjusted amount "Material Processing, Robot Vision"

	FY2022/3	FY2023/3
Revenue	¥2.0B	¥4.0B
Operating profit	¥0.0B	¥0.0B

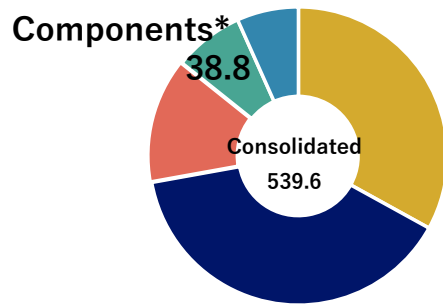
# Components\*: Business Outline

Components Business\*

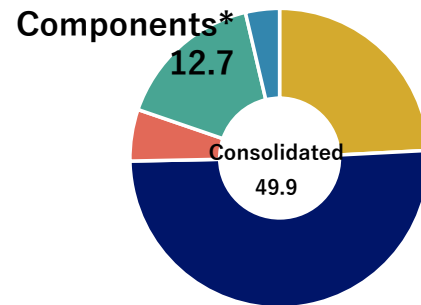
FY2022/3

Billions of yen

## Revenue (※1)

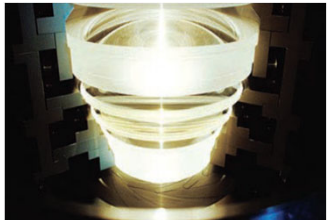


## Operating profit (※2)



## Major products & Services

Optical & EUV related components, customized products, Space related products, Encoders for industrial robot, photomask substrates for FPD



Optical component



Intelligent actuator units  
[C3 eMotion]



Photomask substrate for FPD

## Vision

Grow together with customers  
as we support their innovation

## Financial target

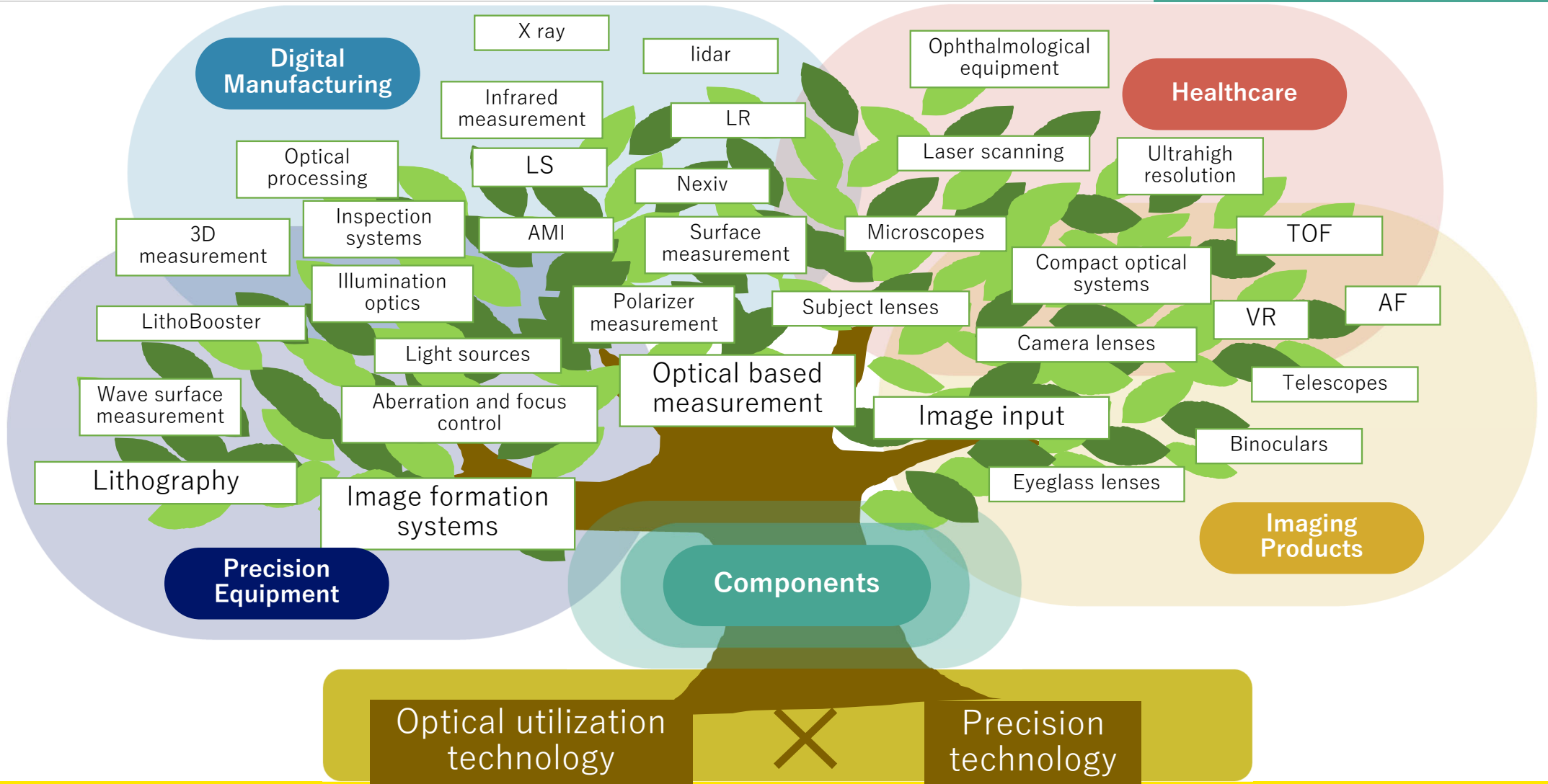
	FY2023/3	FY2026/3
Revenue	¥49.0B(※1)	¥80.0B
Operating profit	¥17.0B(※1)	¥23.0B
OPM	34%	29%

(※1) Reflects the adjustment in the lower right corner of slide 41 from revenue and operating profit of the reporting segment of "Components business"

(※2) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

# Nikon's Optical Components

Components Business\*



# Components\*: Business Strategy and Growth Drivers

Components Business\*

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

## Vision

Grow together with customers as we support their innovation

## Operational direction

### Optical components (growth driver)

- Support demand for high durability, high performance and stable supply in a timely fashion

### EUV related components (growth driver)

- Scale business by adding production capacity and supporting high NA (numerical aperture)

### Encoders

- Focus on modules for human-robot collaboration

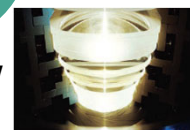
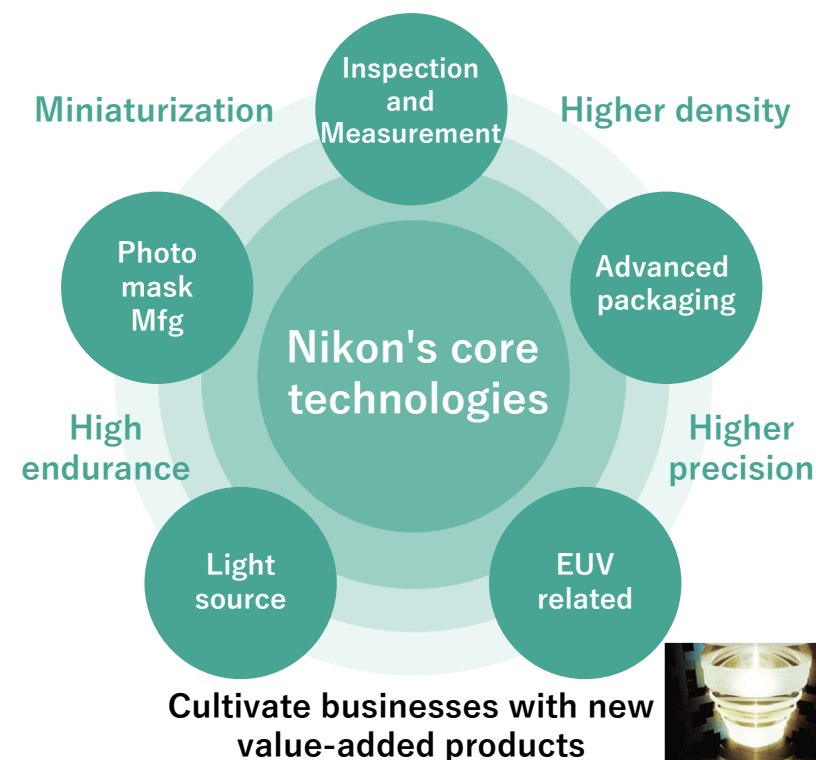
### Glass

- Focus on high-precision polishing and high-quality film deposition for large Photomask substrates for FPD

## Earnings plan

Get to ¥20.0B+ in operating profit by doubling revenue

## Contributions to the semiconductor industry



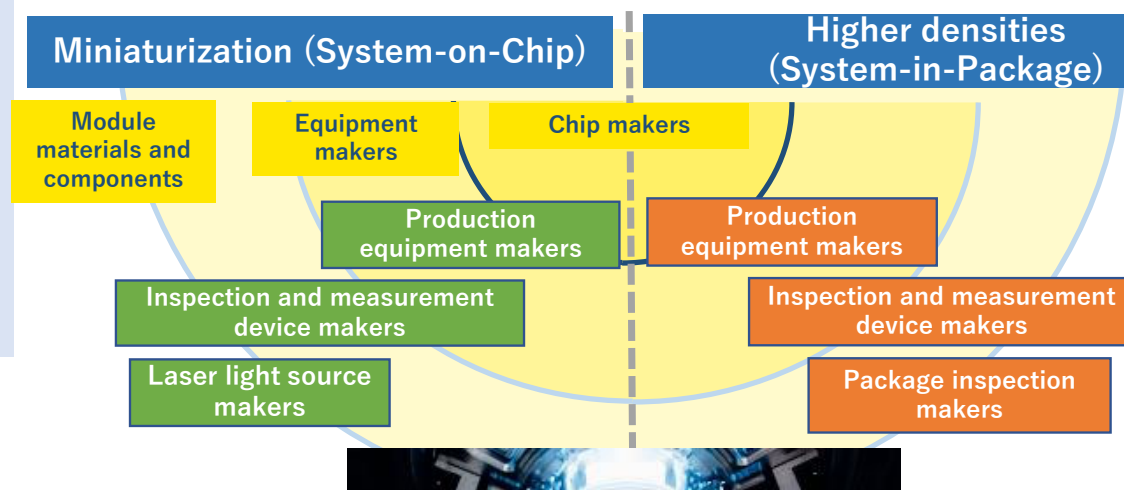
### Market trends and business strategy

- Follow two trends--miniaturization and 3D--to engage with a semiconductor market invigorated by the emergence of a variety of new applications including 5G, IoT, AI, autonomous driving and neural networks.
- Propose a one-stop solution (from design and prototyping to mass production) for high-precision optical components.
- Deliver knowledge, experience and value by integrating optical components into customer systems, leveraging our knowledge as a semiconductor equipment maker.

### Business deployment

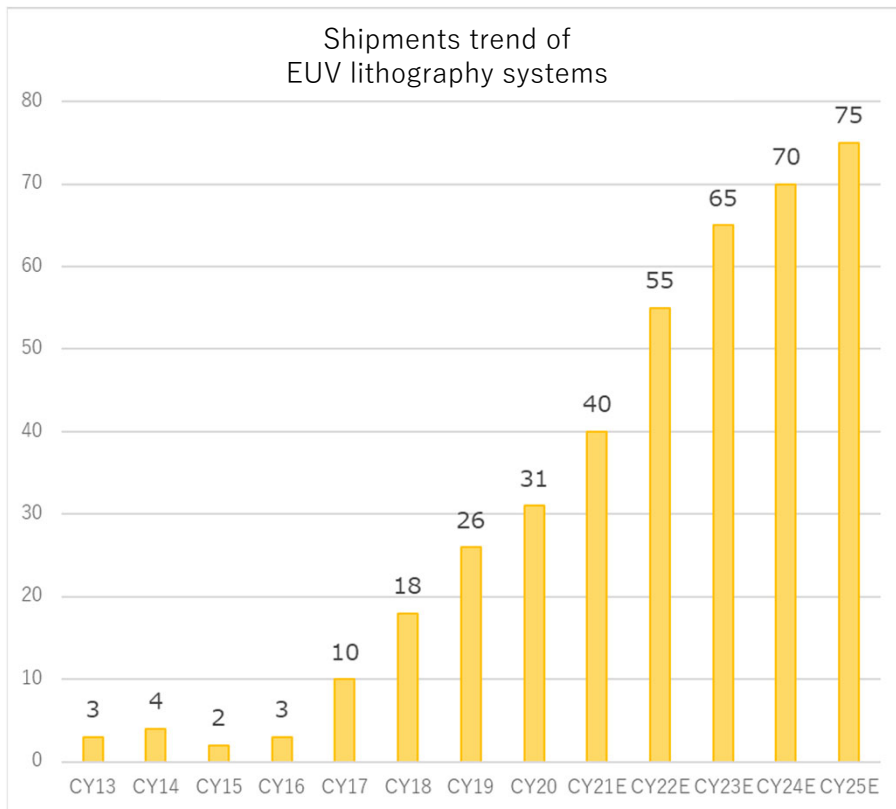
- ① Optical parts: Tie up with semiconductor laser makers
- ② Optical components: Tie up with production and measurement equipment makers in semiconductor, FPD
- ③ Others: Expand sales of optical components into laser processing equipment makers (outside of the semiconductor market)

Leverage optical components to contribute to miniaturization of semiconductors (EUV) and higher densities (cutting-edge IC chips)



# EUV Related Components: Business Opportunities and Path to Commercialization

## Components Business\*



Source: September 08, 2021, Nomura Securities, Inc. Global Markets Research EUVL Industry Close-Up Report

**A history of the commercialization of EUV related fields**  
**1986: NTT succeeded in EUV contraction projection aligner**  
 From this time, Nikon has long been involved in the development technologies such as multilayer film, lithography optical system contamination control and mirror distortion aversion barrels for aspherical processing technology for lithography equipment optical systems, measurement technology and EUVL reflective mirrors for NEDO-contracted efforts including EUV lithography system base technology development.

**2007: NA0.25 full field lithography system delivered to Selete**  
 16nm L&S resolution with phase shift photomask

**2008: Experimental success at EUVA with High NA0.3 of EUV optical system lithography**

**2011: Exited EUV lithography system development**  
 Continued to work with EIDEC on future photomasks and small field high NA lithography systems for photoresist development and applied technology developed toward EUV related components and ArF optical systems.

**Present: EUV related fields becoming a growth driver as we work together with customers in Customized Products Business in combination with our production technology base**



**EUV market expanding as, in addition to cutting-edge logic, DRAM makers also begin to use EUV lithography systems in mass production. Expect growth in demand for related products as EUV lithography systems gain adoption**

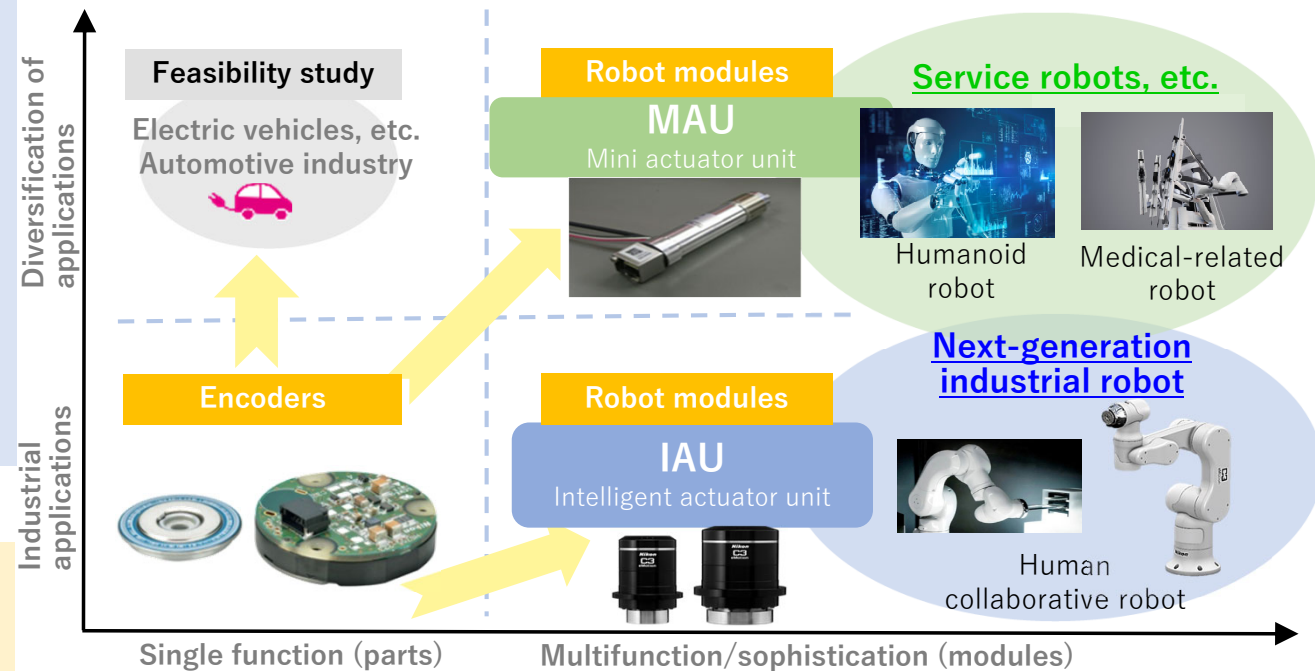
## Market trends and business strategy

- Factory automation market growing 6-8% annualized. In particular, East Asia growth rate is 8% and expected to climb.
- Human collaborative robot market to grow 38% annualized (FY20-25) with manufacturing labor shortages and advances in application technologies.
- Launch next-generation absolute encoders to maintain product competitive edge and create new markets with safe and easy-to-use robot modules.

## Business deployment

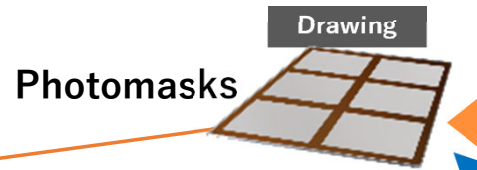
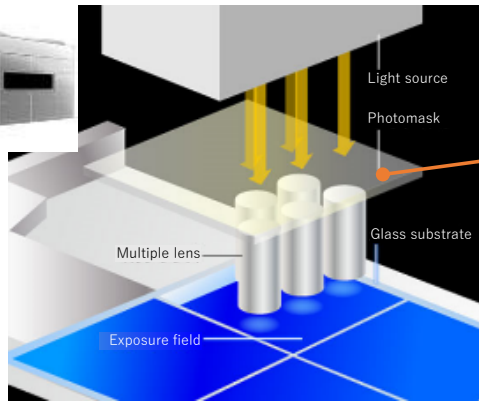
- ① Expand sales of encoders to Japanese makers and target overseas makers
- ② Expand from encoders into robot modules  
Tie up with industrial robot makers
- ③ Plan to enter the next-generation industrial robot and service robot markets

## Leverage encoders (parts) to enter robot modules

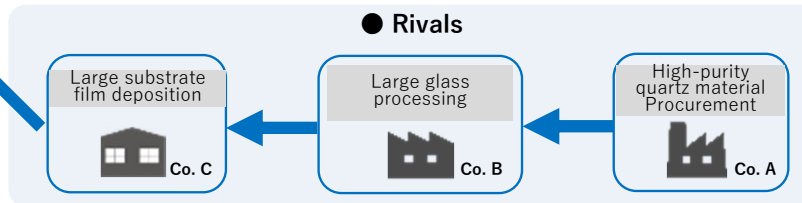
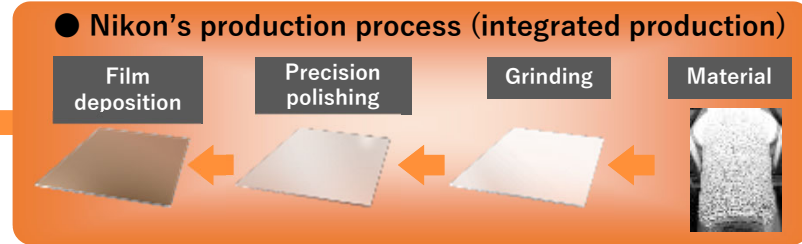
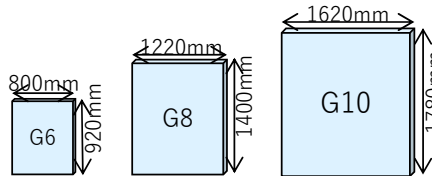




# FPD Photomask Substrates



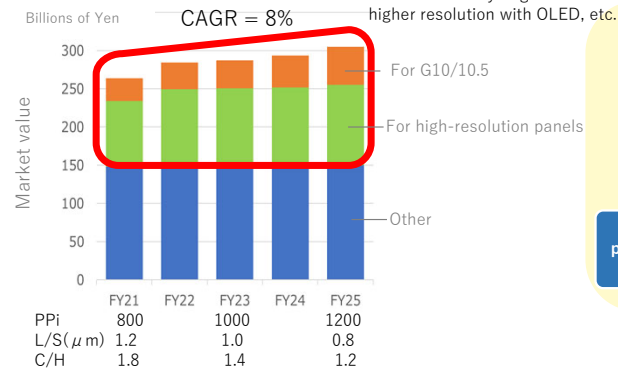
## ● FPD photomask major sizes



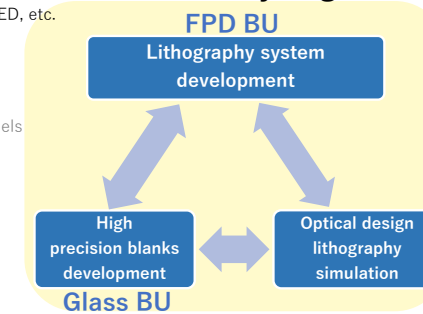
## Advantages

- Supports next-generation higher resolution panels
- High-precision polishing technology for highly flat surfaces
- High-performance film deposition technology
- High-precision measurement technology
- Ability to support sophisticated requests thanks to integrated process from material to film deposition
- Development capabilities working with internal lithography systems development and optical engineering division
- Ultra large-scale production equipment up to G10.5. No. 1 share (70%+)

## ● Market scale: ¥30.0B



## ● Internal synergies

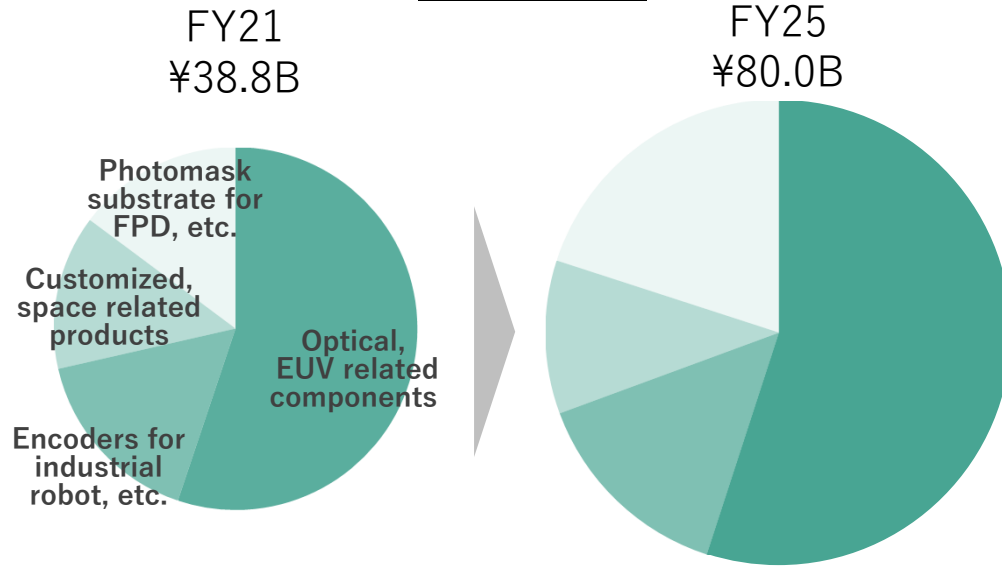


Focus management resources on high-precision polishing and high-quality film deposition for large types

# Components\*: Earnings Plan

## Components Business\*

### Revenue(※)

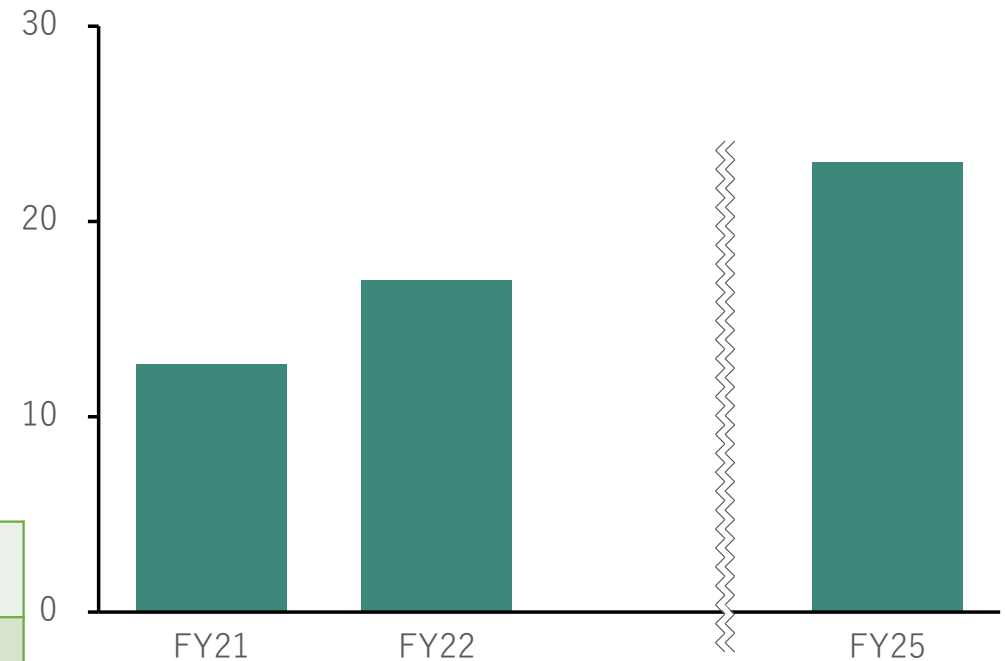


(Major products in sub-segments)

Digital Solutions	Optical component, Optical parts, Encoders for industrial robot, etc.
Customized Products	EUV related components, Customized, space related products
Glass	Photomask substrate for FPD

### Operating profit

(Billions of yen)



**Get to ¥20.0B+ in operating profit by doubling revenue**

(※) Reflects the adjustment in the lower right corner of slide 41 from revenue and operating profit of the reporting segment of "Components business"



# Digital Manufacturing Business

**Ohmura Yasuhiro**  
Senior Vice President

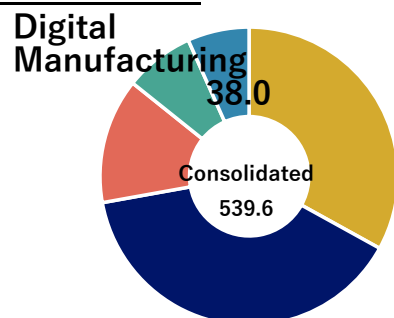
# Digital Manufacturing: Business Outline

Digital Manufacturing  
Business

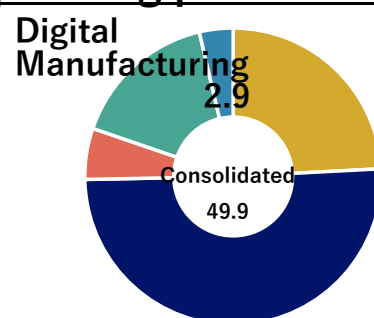
FY2022/3

Billions of yen

Revenue (※1)



Operating profit (※2)



Vision

Enable innovations  
in manufacturing with  
applied optics application  
technologies

Major products & Services

Industrial Metrology Business(Laser Radar, X-ray and CT inspection system, in-line measurement, CNC Video Measuring Systems, Industrial microscope)  
Optical processing (Machine & Contract processing) , Robot Vision



Non-Contact Large-Volume  
Inspection System  
[APDIS]



X-ray and CT Inspection  
[XT H 225 ST 2X]



CNC Video Measuring System  
[NEXIV VMZ-S Series]



Optical Processing  
Machine  
[Lasermeister102A]

Financial target

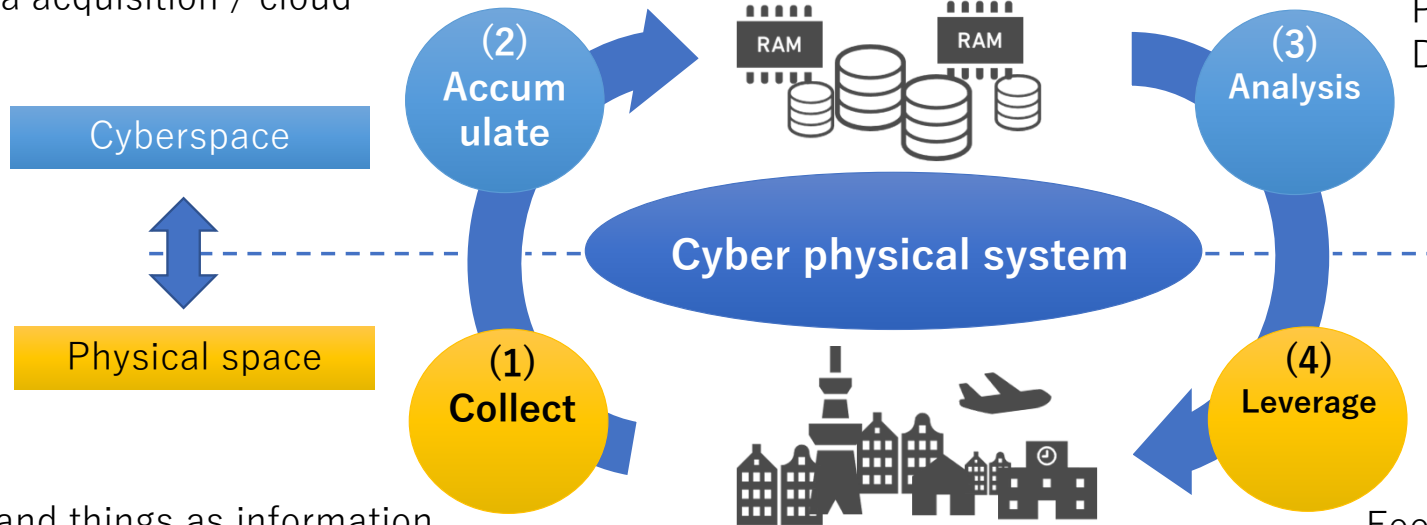
	FY2023/3	FY2026/3
Revenue	¥41.0B (※1)	¥70.0B
Operating profit	¥4.0B (※1)	¥11.0B
OPM	10%	16%

(※1) Reflects the adjustment in the lower right corner of slide 41 from revenue and operating profit of the reporting segment of “Industrial Metrology and Others”

(※2) Operating profit ratio in FY2022/3 is shown before deduction of corporate P/L non-attributable to any reportable segments

# A Society Where Humans and Machines Co-create

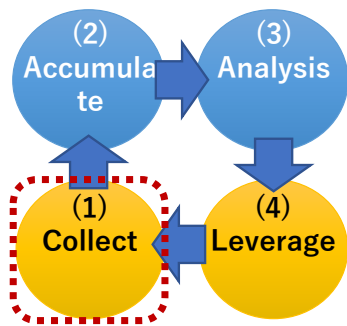
Data acquisition / cloud



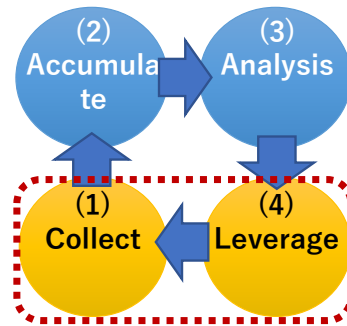
People and things as information

Feedback of value into the physical

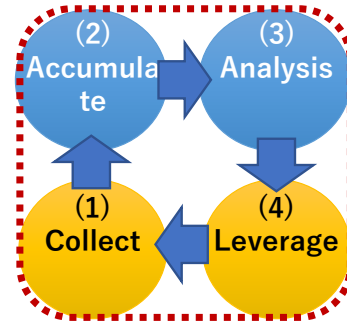
Provide components



Alliances and collaboration



System sales



Areas where Nikon works

Nikon expanding its role mainly from (1) Collect to (2) Accumulate

### Operational direction

#### Laser Radar

- Joint development with customers in automotive, aviation spaces

#### X-ray and CT

- Focus on EV battery inspection

#### In-line measurement

- Promote digitalization of manufacturing processes

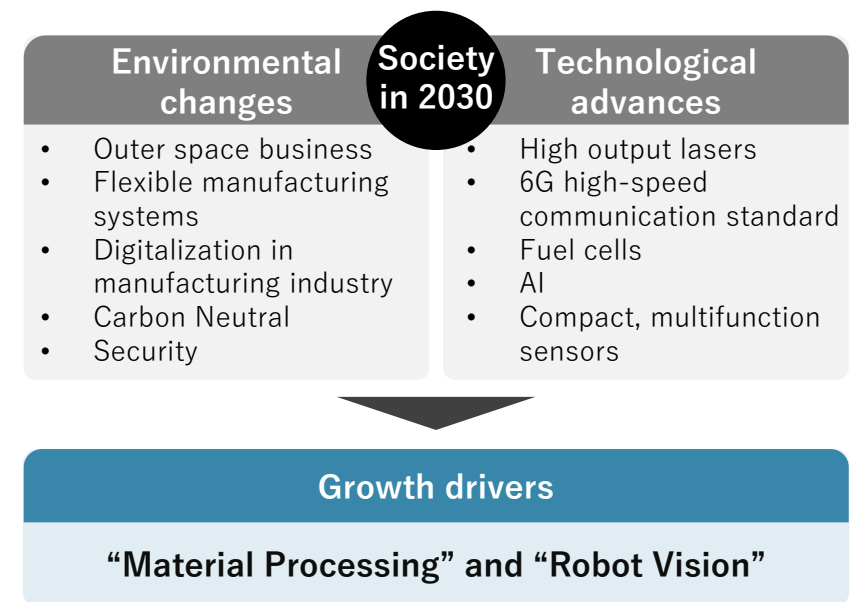
#### Material Processing

- Deliver three processing technologies (additive, removal and riblet) as end products, components or as contract processing services.

#### Robot Vision

- Begin in automotive and electronics fields

### Trends related to the business



# Industrial Metrology Business: Business Opportunities

Game changer	EV / 5G					
Target industries	Automotive		Electronic components (automotive)		Semiconductor	
Target applications (examples)	Automotive bodies	LIB*	Connectors	PCB*	WLP*	
Growth scenarios	Automation of manufacturing processes	Lighter weight (aluminum)	Fire prevention	Re-use	100% inspection of important parts	Automation of manufacturing processes
Delivery of solutions	Combine <b>Laser Radar</b> and robots	Combine <b>X-ray and CT</b> and autoloaders			Combine <b>CNC Video Measuring Systems</b> and autoloaders	
Competitiveness	Nikon's proprietary large-scale space precision measurement	Advantages of high-output x-ray source (High-speed, high-resolution x-ray CT using RT*)			Top market share in Japan and Asia in high-end and mid-range CNC Video Measuring System	

LIB (Lithium-ion battery), PCB (printed circuit board), WLP (wafer level packaging), RT (rotating target) is a technology that achieve high output while avoiding high heat by rotating the x-ray light-emitting base.

# Laser Radar and In-line Measurement

Bring an innovative measurement solution to the production floor

Nikon's market-leading measurement and inspection technology supports the next step



Solutions Overview			Related video  APDIS automotive inline: <a href="https://youtu.be/riGBpSc43s4">https://youtu.be/riGBpSc43s4</a>
Strengths	<ul style="list-style-type: none"> <li>• High-precision: 28um@2m</li> <li>• High-speed: Throughput 8 times conventional</li> <li>• Environment: IP54 compliant</li> </ul>	Focus points	<ul style="list-style-type: none"> <li>• Targeting production floors, smaller, lighter, faster</li> </ul>
Used by:	1) BMW 2) Stellantis (Chrysler JEEP) 3) US and Japanese automobile OEMs		
Market share (Reference)	2021: 10% Share by install base (business unit research)	Market scale (Reference)	2021: 2,692 units LR TAM for the automotive industry (business unit research)



# X-ray & CT and In-line Measurement

Bring an innovative measurement solution to the production floor

Nikon's market-leading measurement and inspection technology supports the next step



Solutions Overview			Related video  LIB inline: <a href="https://www.youtube.com/watch?v=yhHsZG7aEj0">https://www.youtube.com/watch?v=yhHsZG7aEj0</a>
Strengths	<ul style="list-style-type: none"> <li>• High output, high analytical capabilities</li> <li>-225kV Rotating Target</li> <li>• High-speed CT processing</li> <li>-Helical / Half turn</li> </ul>	Focus points	<ul style="list-style-type: none"> <li>• Automation on production floors, high operating rates, enhanced usability</li> </ul>
Used by:	1) Connector and sensor makers 2) EV battery makers 3) Diversified electronics manufacturers		
Market share (Reference)	2021: 20% No. 3 globally (business unit research)	Market scale (Reference)	2021: Approx. ¥30.0B Industrial x-ray system market (business unit research)

# CNC Video Measuring Systems and In-line Measurement

Bring an innovative measurement solution to the production floor

Nikon's market-leading measurement and inspection technology supports the next step



Solutions Overview



Related video

NEXIV inline  
[https://youtu.be/P\\_Y-scMtXzs](https://youtu.be/P_Y-scMtXzs)

Wafer loader:  
<https://www.youtube.com/watch?v=EyoupLfKp2Y>

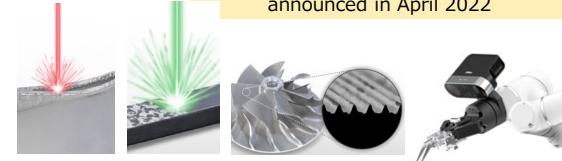
Strengths	<ul style="list-style-type: none"> <li>• High-precision: Stage repeat accuracy 0.5um</li> <li>• High-speed: Throughput 1.5 times conventional</li> <li>• Simple: Optimized for automatic illumination</li> </ul>	Focus points	Higher-speed measurement for production floors
Used by:	<ol style="list-style-type: none"> <li>1) Semiconductor backend contract manufacturers</li> <li>2) Electrical and electronic components makers</li> <li>3) Automotive parts manufacturers</li> </ol>		
Market share (Reference)	<p>2021: Top share</p> <p>Share in Japan and Asia markets for mid/high-end equipment (business unit research)</p>	Market scale (Reference)	<p>2021: Approx. ¥50.0B</p> <p>Imaging metrology equipment market (business unit research)</p>

# Growth Drivers: Material Processing and Robot Vision

## Digital Manufacturing Business

Capitalize on new markets by combining unique value propositions

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022



### Needs in society and industry

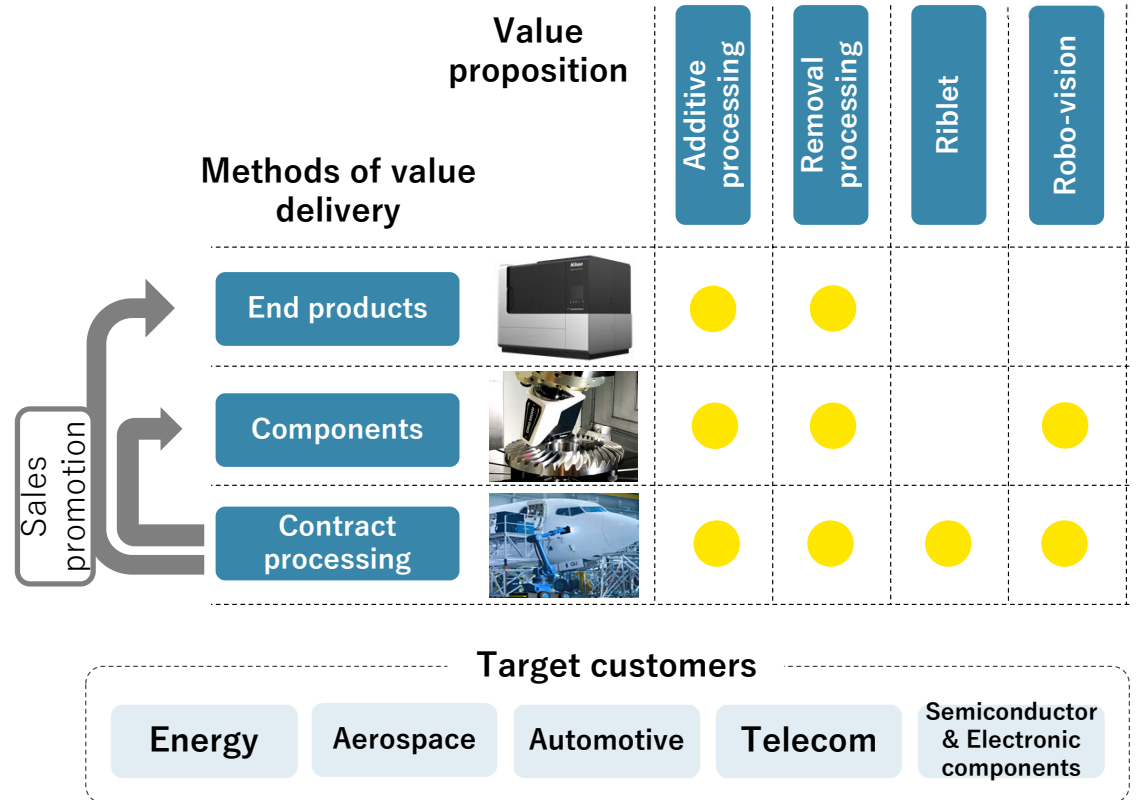
- High-precision processing for difficult-to-cut and complex shapes
- Fuel efficiency improvement and power generation gains
- High-speed detection of objects, more sophisticated and efficient pick & place operations

### Nikon's strengths

- Elemental technologies such as high-precision measurement, feedback processing, 3D alignment and high-speed sensing
- Capabilities in precision systems integration

### Business development

- Develop promising applications jointly with customers
- Deliver solutions encompassing additive, removal and riblet processing and robot vision



# Material Processing and Robot Vision

## Digital Manufacturing Business

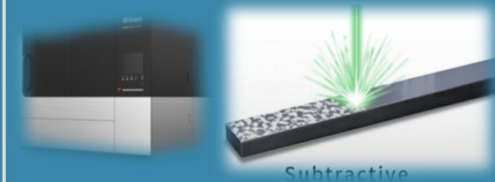
Initiatives aimed at challenges to scaling up the business

- **Strategic diversification in the overall business**
  - Focus on four, closely related technological areas and grow earnings. Combine together at the same time diversify risk
- **Down-select customers and applications in each business**
  - Start from a business plan based on a broad range of possibilities and acquire core applications and evangelist users
- **Strengthen business base with well-planned and continued alliances**
  - Accelerate scaling up by promoting collaboration and alliances in order to make the best use of internal assets

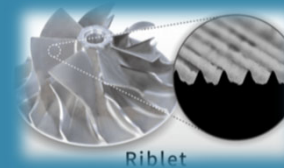
**Additive**  
High value-added processing for aerospace applications



**Subtractive**  
Automated precision processing of dies, tools and difficult-to-machine materials



**Riblet**  
Enhances flight efficiency of airplanes and UAV



**Robot Vision**  
Greater sophistication and efficiency in pick & place of automotive parts



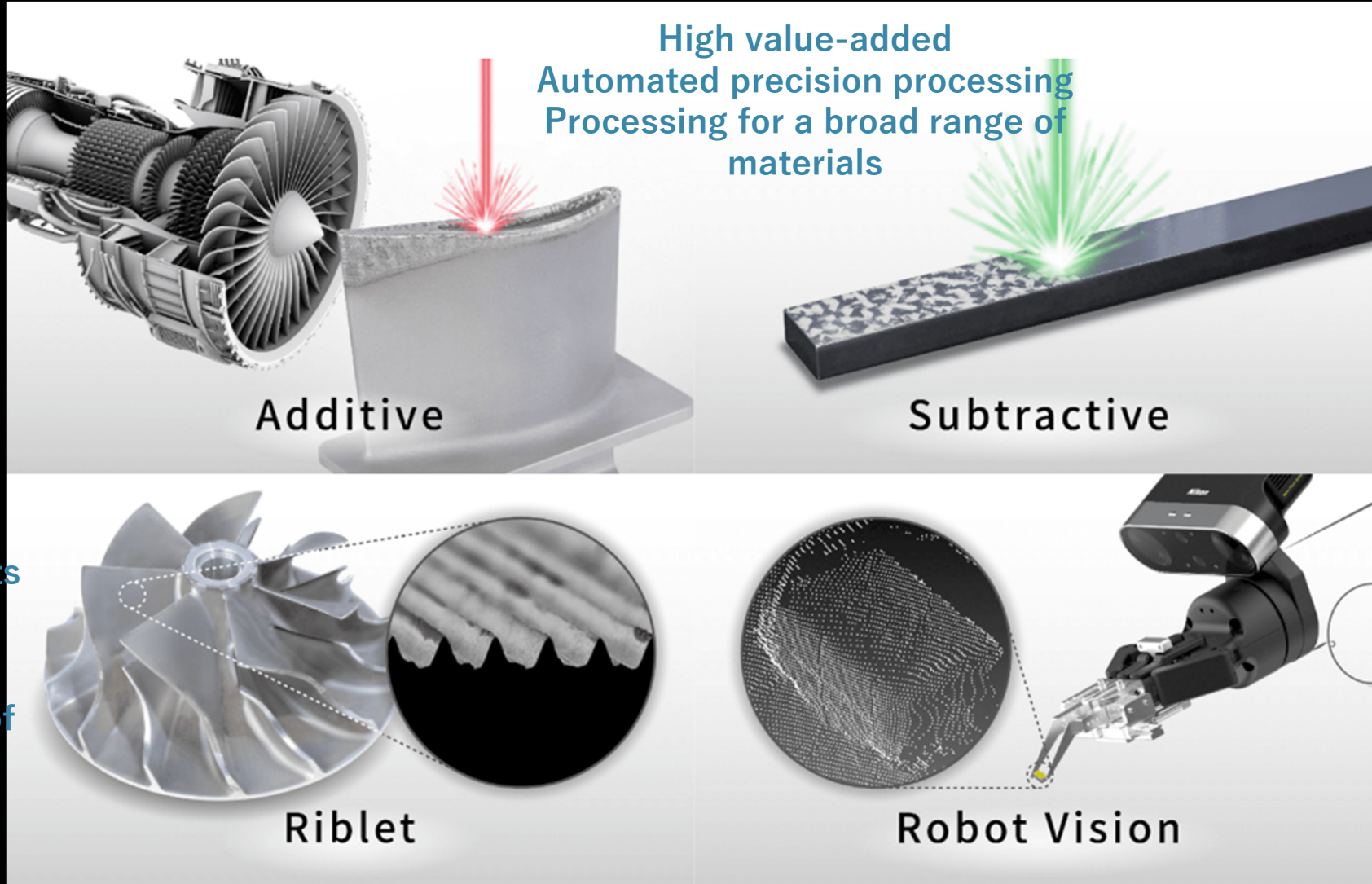
Deliver solutions that change the future of manufacturing while we strengthen our customer and business base

# Material Processing and Robot Vision

Japanese <https://ngpd.nikon.com/>

English <https://ngpd.nikon.com/en/>

Digital Manufacturing Business



High value-added  
Automated precision processing  
Processing for a broad range of  
materials

Additive

Subtractive

Riblet

Robot Vision

Efficiency improvements  
CO<sub>2</sub> reductions  
Processing of free forms

Ultra high-speed  
High recognition capabilities  
Great deal of flexibility

# Digital Manufacturing: Earnings Plan

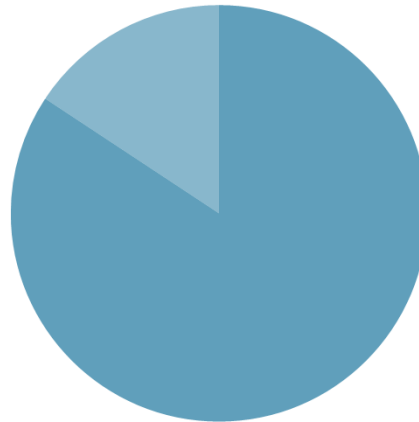
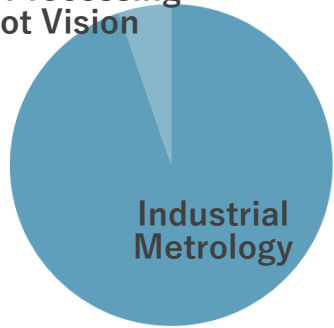
## Revenue(※)

## Operating profit(※)

FY21  
¥38.0B

FY25  
¥70.0B

Material Processing ·  
Robot Vision

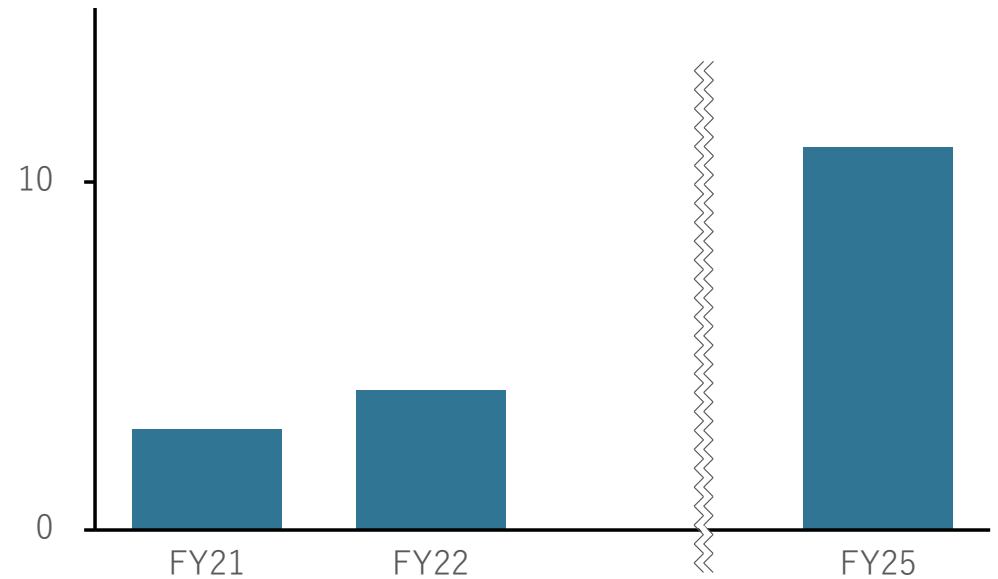


Industrial  
Metrology

(Major products in sub-segment)

Industrial Metrology	Laser Radar, X-ray/CT inspection system, In-line measurement, CNC Video Measuring Systems, Industrial microscope
Digital Solutions	Material Processing (additive, subtractive & riblet processing), Robot Vision

(Billions of yen)



**Leverage alliances to get to 10%+ annual revenue growth**

(※) Reflects the adjustment in the lower right corner of slide 41 from revenue and operating profit of the reporting segment of "Industrial Metrology and others"

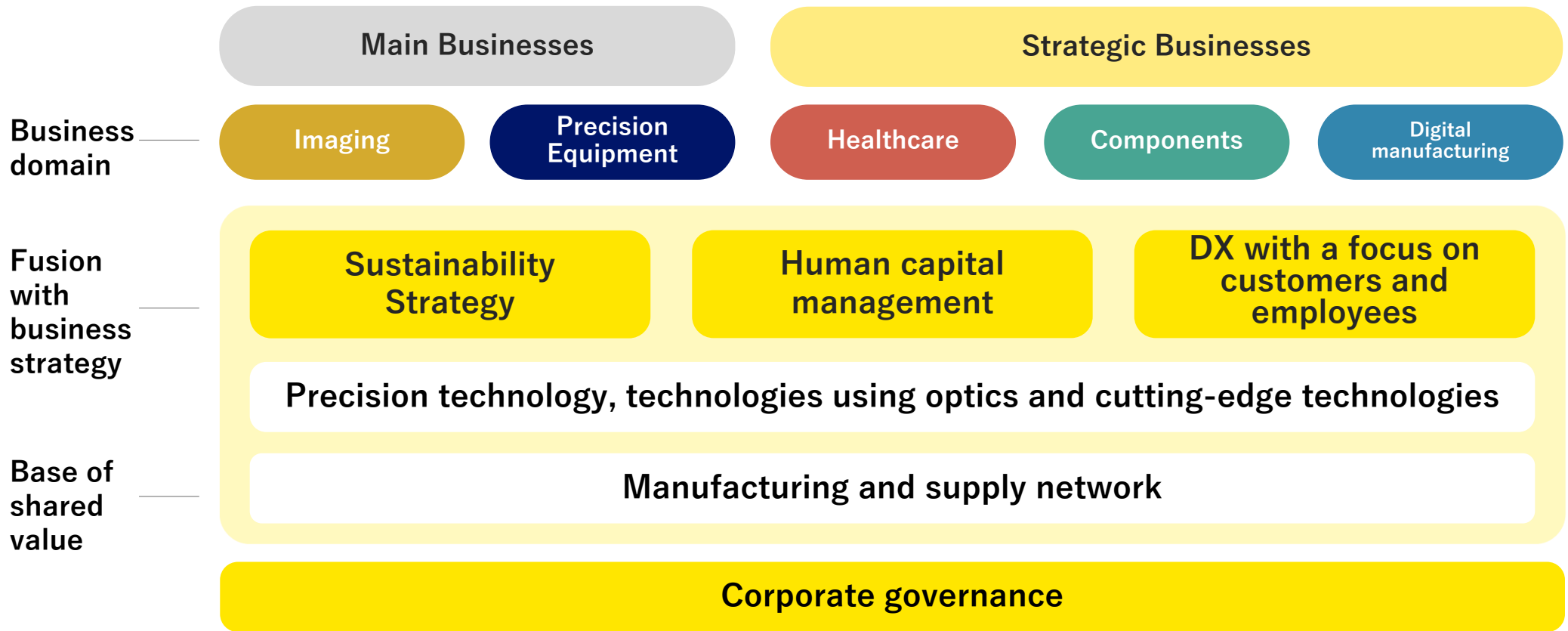


# **Sustainability Strategy, Corporate Governance, and Capital Allocation**

**Muneaki Tokunari**  
Director  
Executive Vice President

# Overview of the Management Base Supporting Business

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

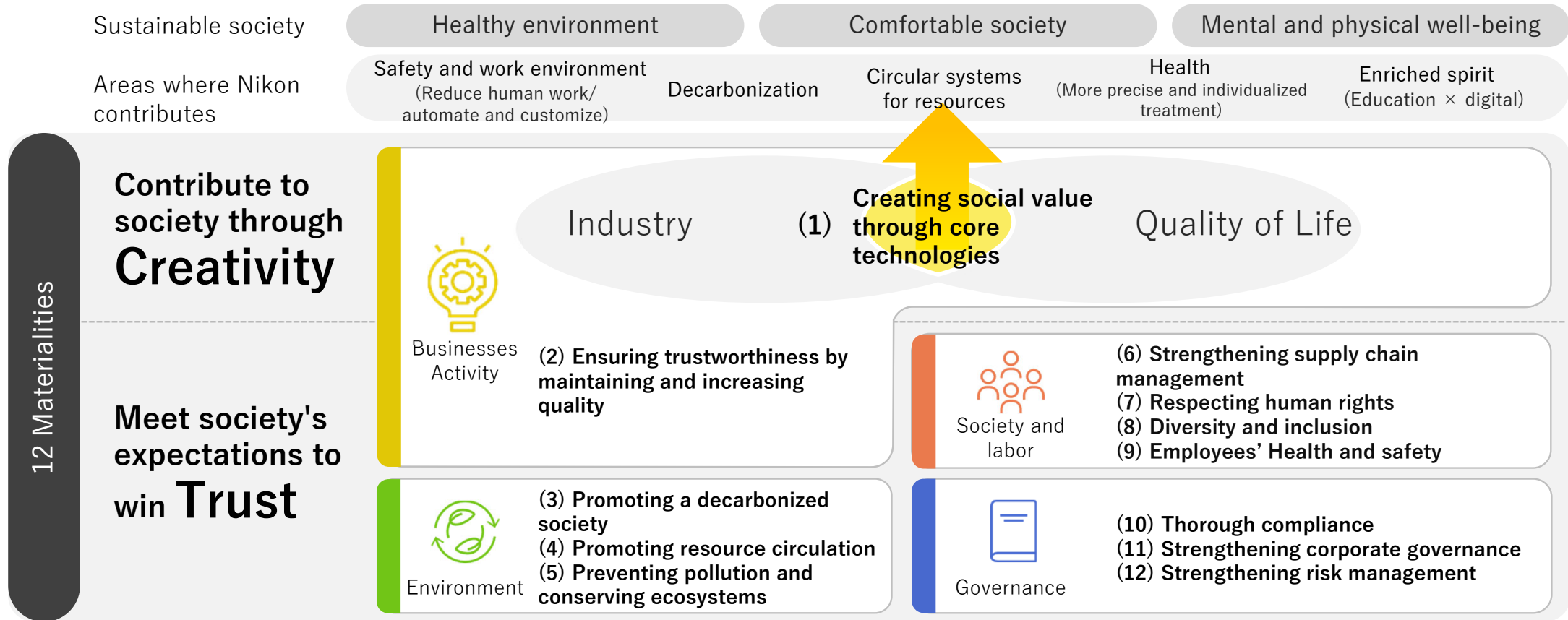


**Strengthen management base and deliver the optimal value to the customer and society  
Focus on sustainability strategy, human capital management, and DX for customers and employees**



# Sustainability Strategy

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022



**Create value for society through businesses that are mindful of society and the environment**  
 FY 2025 targets toward carbon neutrality by FY 2050: Reduce green-house gas emissions from business sites 46.5% (compared to FY 2013)

# Sustainability Strategy: Contribute to Society through Creativity

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022



Sustainable society Areas where Nikon contributes

		Precision Equipment	Components	Digital manufacturing	Imaging	Healthcare		
Comfortable society	<b>Safety and Work environment</b> (Reduce human work/automate and customize)	<ul style="list-style-type: none"> <li>Contribute to work environments and public transportation infrastructure through sensing, imaging and displays, etc.</li> <li>Contribute to urban planning and resilient social infrastructure with image analysis and optical telecommunications technology</li> <li>Contribute to space industry and technology by providing satellite modules, etc.</li> </ul>		●	●	●	●	●
	<b>Decarbonization</b>	<ul style="list-style-type: none"> <li>Increase energy efficiency in society with additive and fine processing using optics</li> <li>Enhance manufacturing efficiency in robots with sophisticated hands and eyes and device manufacturing processes</li> <li>Contribute to a society where people connect transcending time and space and real and virtual leveraging image production technologies</li> <li>Contribute to a healthy global environment with longer lasting light sources and more durability in our products</li> </ul>		●	●	●	●	●
Healthy environment	<b>Circular systems for resources</b>	<ul style="list-style-type: none"> <li>Reduce the burden of waste and promote re-use among our customers through turbine repairs and ultra-precision processing, controls and measurement, etc.</li> <li>Aim to achieve a recycling society by strengthening equipment re-use and refurbished systems sales</li> <li>Leverage digitalization to help reduce needs</li> </ul>		●	●	●	●	●
	<b>Health</b> (More precise medicine and individualized treatment)	<ul style="list-style-type: none"> <li>Reduce the burden on doctors and patients and support drug discovery with early and high-precision evaluation of ailments</li> <li>Achieve regenerative medicine for everyone with Contract Cell Manufacturing solutions</li> <li>Support medicine with high-precision robot modules</li> </ul>		●	●	●	●	●
Mental and physical well-being	<b>Enriched spirit</b> (Education × digital)	<ul style="list-style-type: none"> <li>Contribute to rich and creative visual expression and culture with imaging equipment and 3D and 4D technology, etc.</li> <li>Leverage cameras, microscopes and telescopes to stimulate interest in outer space and the natural sciences and contribute to learning and cultivating the next generation</li> <li>Education and training that transcends time and space and real and virtual</li> </ul>		●	●	●	●	●

# Sustainability Strategy: Meet Society's Expectations to Win Trust

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022



Environment

- (3) Promoting a decarbonized society
- (4) Promoting resource circulation
- (5) Preventing pollution and conserving ecosystems

- **FY 2025 targets for achieving carbon neutrality by FY 2050**
  - Reduce green-house gas emissions from business sites: Reduce by 46.5% compared to FY 2013 levels. (FY 2030 Target: 71.4% reduction)
  - Introduction of renewable energy: 18% (FY 2030 target: 30%)
- **Initiatives toward circular system of resources by strengthening systems re-use and refurbished sales**



Society and labor

- (6) Strengthening supply chain management
- (7) Respecting human rights
- (8) Diversity and inclusion
- (9) Employees' health and safety

- **Promote D&I**
  - Prepare an environment and raise awareness for diverse talent to thrive
  - Promote the advancement of women
    - Women in managerial positions: 8%+ by FY 2025
    - New grad female hires: Maintain 25%+ (In FY2021, women made up 15% of the workforce)
- **Advance respect for human rights across the supply chain**
- **Marketing communications that are mindful of human rights**



Governance

- (10) Thorough compliance
- (11) Strengthening corporate governance
- (12) Strengthening risk management

- **Link sustainability challenge KPIs to officer compensation**
- **Secure independence of external directors: More diverse board makeup**
- **Strengthen governance across the corporate group: Strengthen internal controls**

# Corporate Governance

- **Link sustainability challenge KPIs to officer compensation**  
<Officer compensation system>

Fixed compensation	Performance-based compensation		
	Short term	Medium term	Long term
Fixed monthly compensation	Bonus	PSU	RS

PSU: Performance Stock Unit RS: Restricted Stock

## <Method for determining performance-based compensation>

- The degree of accomplishment of financial and non-financial KPIs is evaluated by the Compensation Committee as an advisory body of the Board of Directors and determined by the Board of Directors

Bonus: Consolidated operating profit and ROE, as well as division and individual performance

(\*) The division performance assessment includes consideration of the degree of achievement of sustainability-related targets of each division

PSU: Financial KPIs (consisting of revenue, operating margin and ROE)

Strategic KPIs (consisting not only of financial targets such as operating profit derived from growth drivers but also of non-financial targets such as the degrees of accomplishment of sustainability strategy and human capital management)

## <Compensation Committee members>

- 2 external directors and 2 internal directors (chaired by an external director)

- **Secure independence of external directors: More diverse board composition**

## <Changes in board composition>

	As of the end of			
	June 2018	June 2019	June 2020	June 2022 (plan)
Total number of directors (incl. Audit and Supervisory Committee members)	11	12	11	<b>11</b>
o/w external directors	4	5	5	<b>*5</b>
o/w directors from major shareholders, etc.	3	3	2	<b>0</b>
o/w female directors	0	0	1	<b>1</b>

## (\*) **Nominees for 5 external directors to be proposed at the Annual General Shareholders' Meeting in June 2022**

- Mr. Shiro Hiruta, former Senior Advisor, Asahi Kasei Corp.
- Mr. Shigeru Murayama, Senior Strategic Advisor, Kawasaki Heavy Industries, Ltd.
- Ms. Asako Yamagami, Partner, ITN Law Office
- Mr. Makoto Sumita, former Chairman & Director, TDK Corporation
- Mr. Tsuneyoshi Tateoka, former Vice-Minister of Economy, Trade and Industry

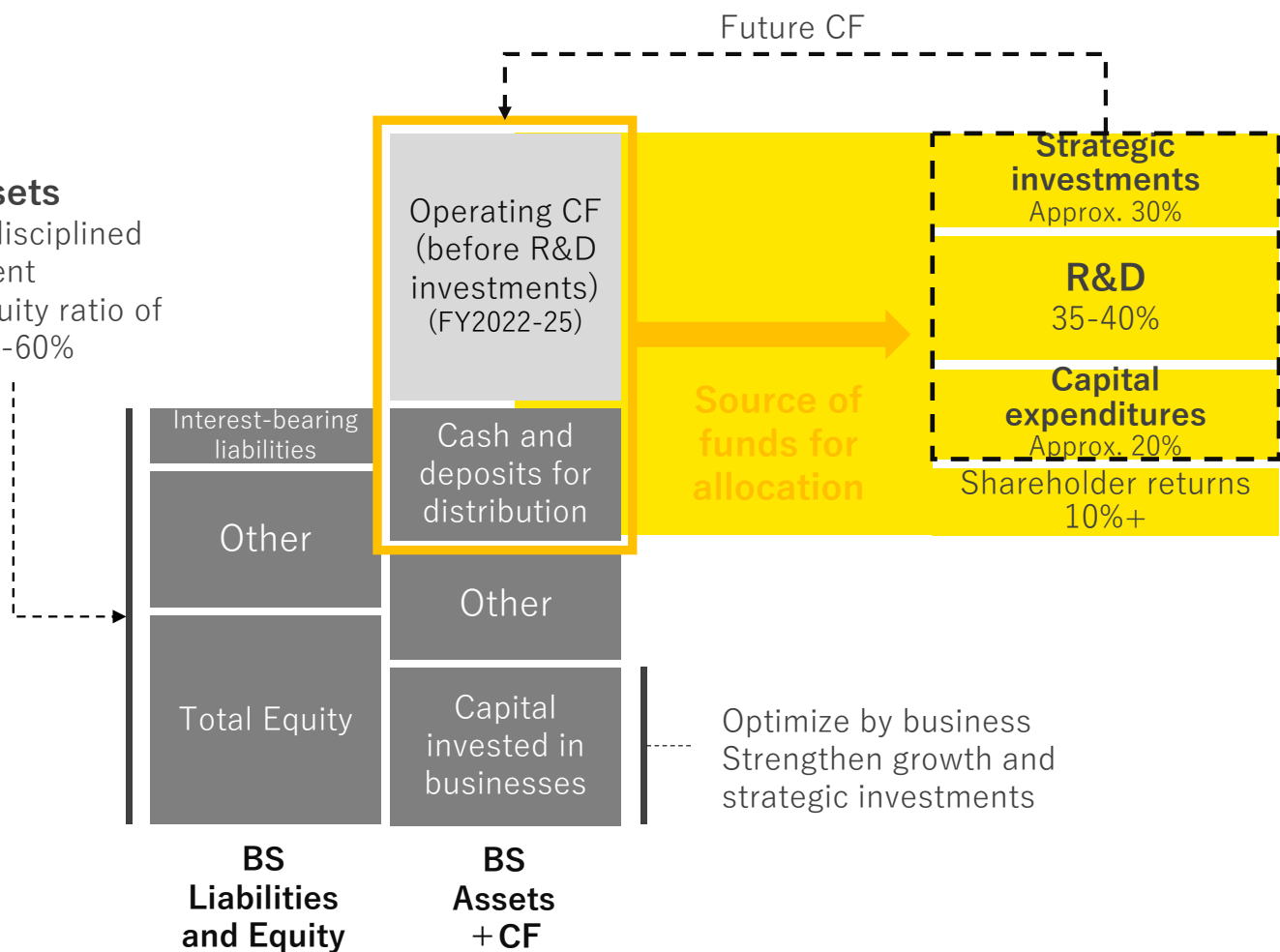
## <Nominating Committee members>

- 3 external directors and 1 internal director (chaired by an external director)

# Capital Allocation: Strengthen Investments in Sustainable Growth and Realize Stable Shareholder Returns

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022

**Total assets**  
Continue disciplined management  
Aim for equity ratio of Approx. 55-60%

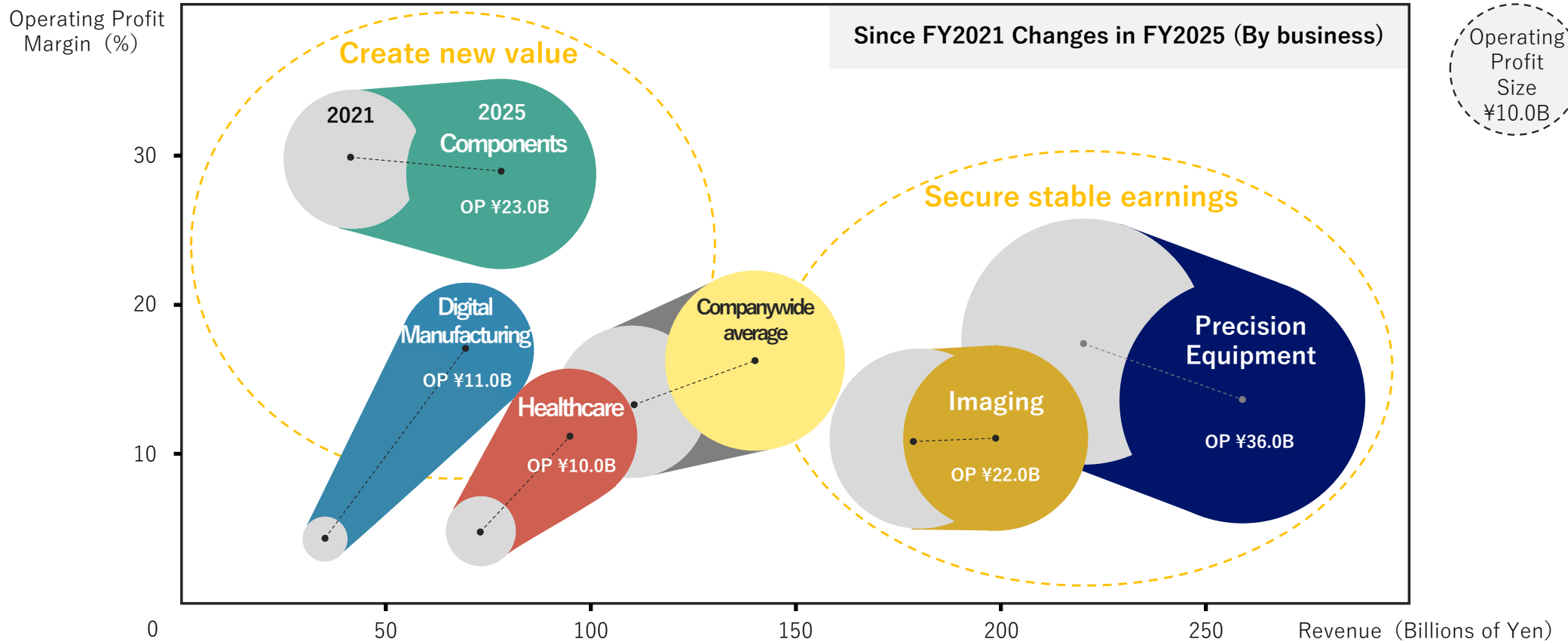


- M&A to accelerate growth
- Additional investments in human capital
- Prioritize investments in delivery of solutions and growth drivers
- Support increased production of EUV related components, Contract Cell Manufacturing
- Strengthen base for manufacturing and advance DX
- Total shareholder return ratio 40%+ (Stable dividends + opportunistic share buybacks)
- Consolidate business development and cutting-edge R&D in environmentally friendly Headquarters building

Optimize by business  
Strengthen growth and strategic investments

# Business Portfolio: Achieve both Scale and Profitability

Redisplaying of Medium-Term Management Plan (FY2022-FY2025) announced in April 2022



**Sustain and enhance the entire company's earnings power through delivery of solutions**  
**Management focused on “revenue growth” × “profitability improvement”**

\*Companywide average is a simple average of the five businesses. Digital Manufacturing encompasses Industrial Equipment, Material Processing and Robot Vision. HQ expenses (FY2021 -28.5B, FY2025 forecast -32.0B) are excluded.

## Disclaimer Regarding Forecast and Projections

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.

# Appendix





## (Reference) Differences between Financial Results and Medium-Term Management Plan Classifications

Segmentation for earning reporting		Under the 2022-25 Medium-Term Management Plan	<b>【Explanation about segments revision】</b>
Reporting segment	Organization name & Business	Business domain	
Imaging Products	Imaging Products Business	Imaging	<p>※ In the FY2023/3, “Next Generation Project Div.” transfers from Precision Equipment Business to Corporate P/L non-attributable to any reportable segments.</p> <p>Corporate P/L non-attributable to any reportable segments includes New business development costs and G&amp;A expenses, etc., for basic research and HQ functions.</p>
Precision Equipment	FPD Lithography Business	Precision Equipment	
	Semiconductor Lithography Business		
	※ (by FY2022/3) Next-generation Project Division		
Healthcare	Healthcare Business	Healthcare	<p><b>【Adjustment to Classifications under the Medium-Term Management Plan】</b></p> <ul style="list-style-type: none"> <li>• <b>Components*</b> = Excludes “Material Processing, Robot Vision” included in the Digital Solutions Business from the reporting segment of “Components”</li> <li>• <b>Digital Manufacturing</b> = Adds above mentioned “Material Processing, Robot Vision” to Industrial Metrology Business included in the reporting segment of “Industrial Metrology and Others”</li> </ul>
Components	Customized Products Business	Components*	
	Glass Business		
	Digital Solution Business (Optical components, etc.)		
	Digital Solution Business (Material Processing, Robot Vision)	Digital Manufacturing	
Industrial Metrology and Others	Industrial Metrology Business	management base	
	Others		
Corporate P/L non-attributable to any reportable segments	New business development costs (Next-generation Projects Division) G&A expenses, etc., for basic research and HQ functions		

