

## **NIKON Revises Its Financial Forecast for FY2025 Downward— No Immediate Impact on the Rating, but Direction of Future Performance Must Be Watched**

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the revision of financial forecast for the fiscal year ending March 2026 (FY2025) by NIKON CORPORATION (security code: 7731).

- (1) NIKON CORPORATION (the "Company") on February 5 made downward revisions to its financial forecast for FY2025. It now expects 100 billion yen in operating loss and 85 billion yen in net loss, as opposed to the previous projections of 14 billion yen in operating profit and 20 billion yen in net income. These downward revisions were triggered primarily by the recognition of impairment losses on goodwill and intangible assets at Nikon SLM Solutions AG ("SLM"), a metal 3D printer manufacturer acquired in 2023, and also by other factors including trends in the performance of major businesses like Imaging Products and Precision Equipment.
- (2) Equity attributable to owners of parent is expected to be impaired to some extent because of the above revisions, but its ratio will likely fall only marginally as impairment losses on goodwill and intangible assets at SLM do not involve cash outflows. Hence, JCR does not predict any immediate impact on the rating. That said, even excluding non-recurring expenses such as impairment losses, the Company is still projected to post operating loss for FY2025, which indicates a further decline in its earnings capacity. JCR will watch the direction of future performance to be reflected in future rating decisions.

Akihisa Motonishi, Hiroaki Sekiguchi

### <Reference>

Issuer: NIKON CORPORATION

Long-term Issuer Rating: A+      Outlook: Stable

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