



May 12, 2020

Notice Regarding Recognition of Extraordinary Losses and Reversal of Deferred Tax Assets in Non-Consolidated Financial Statements

NIKON CORPORATION (hereinafter “the Company”) expects to post extraordinary losses and to reverse a part of deferred tax assets in its non-consolidated financial statements, which are prepared in accordance with Japanese GAAP, for the fiscal year ended March 31, 2020.

Using the future plan that reflects the impact and more caused by the spread of COVID-19 to business activities, the Company has assessed an indication that fixed assets may be impaired, performed valuation of financial assets, and examined the recoverability of deferred tax assets.

As a result, the Company has decided to post an impairment loss of 5.7 billion yen for the fixed assets held by Imaging Product Business. And for Nikon Metrology NV, the Company’s consolidated subsidiary, a loss on valuation of the investments in subsidiaries and affiliates and provision for loss on business of subsidiaries and affiliates will be recognized 6.7 billion yen and 9.2 billion yen, respectively. The Company has also decided to reverse a part of deferred tax assets and post deferred tax expenses of 20.6 billion yen. However, the losses associated with the subsidiary mentioned above will have no impact on the consolidated financial results, as those losses will be eliminated in the consolidated financial statements.

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