

This is a translation of the original Japanese “Notice of the 162nd Annual General Shareholders’ Meeting” prepared for the convenience of non-Japanese speakers. Should there be any discrepancy between any part of this translation and the original Japanese text, the latter shall prevail.

Notice of the 162nd Annual General Shareholders’ Meeting

The Company has taken measures for electronic provision with respect to the convocation of this General Shareholders’ Meeting.

The matters subject to the electronic provision measures have been posted on the Company’s website on the Internet.

The matters subject to the electronic provision measures have also been posted on the Tokyo Stock Exchange website. Enter the company name (Nikon) or securities code (7731) and perform a search. Select “Basic information” and then “Documents for public inspection/PR information” to view the materials.

[The Company website]

https://www.nikon.com/company/ir/stock_info/meeting/

[Tokyo Stock Exchange website]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Deadline for exercising your voting rights via the Internet or by mail:

No later than 5:00 p.m. on Thursday, June 25, 2026 (Japan Standard Time)

1. Date & Time: 10:00 a.m., June 26, 2026 (Friday) (Japan Standard Time)

2. Place: Hall A on the fourth floor of Ariake Central Tower Hall&Conference
3-7-18, Ariake, Koto-ku, Tokyo

3. Agendas:

Matters to be reported

1. Business report, Consolidated Financial Statements, and audit reports concerning Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 162nd term (April 1, 2025 to March 31, 2026)
2. Non-Consolidated Financial Statements for the 162nd term (April 1, 2025 to March 31, 2026)

Matters to be resolved

- Item 1:** Appropriation of Surplus
- Item 2:** Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Item 3:** Election of Three Directors Who are Audit and Supervisory Committee Members
- Item 4:** Revision of Restricted Stock Unit Compensation System for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Item 5:** Revision of Performance Share Unit Compensation System for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

<Important Notes>

- Pursuant to the relevant laws and regulations and the Company's Articles of Incorporation, the following items are not included in this convocation notice. The Audit and Supervisory Committee and the Accounting Auditor have audited documents subject to audit including the following documents posted on the websites.
“Financial highlights,” “Major office and plants,” “Employees,” “Major lender,” “Matters relating to shares,” “Subscription rights to shares,” “Matters relating to accounting auditor,” “Framework to ensure fair business activity,” and “Matters relating to external directors” in Business Report; “Consolidated statement of changes in equity” and “Notes to consolidated financial statements” in Consolidated Financial Statements; and “Non-consolidated statement of changes in net assets” and “Notes to non-consolidated financial statements” in Non-Consolidated Financial Statements
- Any revisions to this convocation notice or the matters subject to the electronic provision measures will be posted on the websites.

To Our Shareholders

Securities Code: 7731

Date Posted: June 5, 2026

(Date of Commencement of Electronic Provision Measures: May 29, 2026)

NIKON CORPORATION

1-5-20, Nishioi, Shinagawa-ku, Tokyo

On behalf of Nikon Corporation, I thank you for continuing to support our company.

We look forward to welcoming you to the 162nd Annual General Shareholders' Meeting.

In FY2025, the final year of the medium-term management plan, strategic initiatives made steady progress, including the launch of Nikon's first digital cinema camera, the "ZR," and the commencement of orders for the "DSP-100" digital lithography system for back-end processes in semiconductor device manufacturing. On the other hand, due mainly to the recording of impairment losses in the Digital Manufacturing Business, Nikon posted a net loss, and we strongly recognize that improving profitability is an urgent issue.

In our new medium-term management plan starting in FY2026, we will strive to enhance Nikon's corporate value by balancing short-term performance recovery with investments for long-term growth. In addition to our ongoing commitment to "continuing to challenge ourselves to advance the precision and resilience of our products," we will also boldly take on the challenges of "meeting and exceeding customer needs and aspirations" and "improving cost efficiency and speed at which we deliver products to customers," as we aim to realize our vision for 2030: becoming "a key technology solutions company in a global society where humans and machines co-create seamlessly." We hope that you will continue to support our company in the years ahead.

June 2026

Yasuhiro Ohmura

Representative Director, President & CEO



Reference Materials for the General Shareholders' Meeting

For more details on information related to the shareholders' meeting:

https://www.nikon.com/company/ir/stock_info/meeting/

Item 1: Appropriation of Surplus

It is proposed that surplus be appropriated as follows:

Matters concerning year-end dividends

Under a management approach that is conscious of capital efficiency and financial soundness, the Company conducts capital allocation by balancing business investments and shareholder returns to achieve sustainable growth. Our fundamental policy on shareholder returns is to distribute a steady dividend.

Based on this policy, it is proposed that a year-end dividend be paid out as follows.

(1) Type of dividend assets

Cash

(2) Allotment of dividend assets to shareholders and total amount

15 yen per share of the Company's common stock

Total payment of dividends: 4,941,136,155 yen

(3) Effective date of dividends from surplus


June 29, 2026


The annual dividend for the current fiscal year, including an interim dividend, will be 40 yen per share of the Company's common stock.


Item 2: Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)


The terms of office for all six Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Shareholders' Meeting. Accordingly, the Company proposes that six Directors (excluding Directors who are Audit and Supervisory Committee Members) be elected.


The Audit and Supervisory Committee has reported that there are no matters to be addressed with regard to the election of Directors (excluding Directors who are Audit and Supervisory Committee Members). The candidates are as follows.


Candidate number 1 [Reappointment]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Muneaki Tokunari</p> <p>Date of birth: March 6, 1960</p> <p>Shares held in the Company Actual number of common shares held: 86,353 shares Number of dilutive shares held: 56,600 shares</p> <p>Years of service as Director: 6 years</p> <p>Attendance at meetings of the Board of Directors: 19/19</p> <p>Duties at the Company: —</p>	<p>Apr. 1982: Joined The Mitsubishi Trust and Banking Corporation (current Mitsubishi UFJ Trust and Banking Corporation)</p> <p>Jun. 2009: Executive Officer of the said Company</p> <p>Jun. 2011: Managing Executive Officer of the said Company</p> <p>Jun. 2012: Managing Director of the said Company</p> <p>Jun. 2013: Senior Managing Director of the said Company</p> <p>Jun. 2015: Director, Managing Executive Officer of Mitsubishi UFJ Financial Group, Inc. and Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current MUFG Bank, Ltd.)</p> <p>May 2016: Director, Senior Managing Executive Officer of the said Company and Senior Managing Director of the said Bank</p> <p>Jun. 2018: Senior Managing Corporate Executive of the said Company and Member of the Board of Directors, Senior Managing Executive Officer of the said Bank</p> <p>Apr. 2020: Senior Executive Vice President, the Company</p> <p>Jun. 2020: Director and Senior Executive Vice President, the Company</p> <p>Feb. 2024: Representative Director and Executive Deputy President, the Company</p> <p>Apr. 2024: Representative Director and President, the Company</p> <p>Apr. 2026: Representative Director and Chairman (to present)</p> <p>[Reasons for candidacy] Muneaki Tokunari served as CFO at a major financial institution group. He possesses extensive business experience and broad-ranging knowledge. At the Company, after promoting group-wide strategies from a perspective that goes beyond financial affairs as CFO, he worked to improve the effectiveness of the Board of Directors as Chief Operating Officer (COO), overseeing the management of the entire Group alongside the CEO. He is the right person to drive the Company's sustainable growth and enhance its corporate value in the medium to long term. Accordingly, we have nominated him as a candidate for Director.</p>

Candidate number 2 [Reappointment]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p data-bbox="284 667 443 694">Yasuhiro Ohmura</p> <p data-bbox="252 719 402 768">Date of birth: July 25, 1968</p> <p data-bbox="252 792 451 987">Shares held in the Company Actual number of common shares held: 47,987 shares Number of dilutive shares held: 40,300 shares</p> <p data-bbox="252 1012 418 1086">Years of service as Director: 2 years</p> <p data-bbox="252 1111 458 1207">Attendance at meetings of the Board of Directors: 19/19</p> <p data-bbox="252 1232 458 1305">Duties at the Company: Chief Executive Officer (CEO)</p>	<p data-bbox="497 367 1182 517">Apr. 1992: Joined the Company Apr. 2019: Corporate Vice President, the Company Apr. 2021: Senior Vice President, the Company Apr. 2024: Senior Executive Vice President, the Company Jun. 2024 Director and Senior Executive Vice President, the Company Apr. 2026 Representative Director and President, the Company (to present)</p> <p data-bbox="497 542 1393 786">[Reasons for candidacy] Yasuhiro Ohmura has been primarily engaged in optical design since joining the Company, having served in such positions as Department Manager of Optical Designing Department of Semiconductor Lithography Business Unit, General Manager of Optical Engineering Division, General Manager of Corporate Strategy, and General Manager of Healthcare Business Unit. In addition, He possesses a high level of expertise in optical technology, which forms the foundation of optical instrument performance, and oversaw the Group's overall technology strategy as Chief Technology Officer (CTO). He currently serves as Chief Executive Officer (CEO), overseeing the management of the entire Group, and is the right person to drive the Company's sustainable growth and enhance its corporate value in the medium to long term. Accordingly, we have nominated him as a candidate for Director.</p>

Candidate number 3 [New candidate]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Yoichi Kassai</p> <p>Date of birth: January 26, 1970</p> <p>Shares held in the Company Actual number of common shares held: 12,743 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as Director: —</p> <p>Attendance at meetings of the Board of Directors: —</p> <p>Duties at the Company: Chief Risk Management Officer (CRO), Chief Information Security Officer (CISO), General Manager of Group Governance & Administration, Officer in charge of Corporate Sustainability Department</p>	<p>Apr. 1994: Joined The Mitsubishi Bank, Ltd. (current MUFG Bank, Ltd.)</p> <p>Apr. 2021: Executive Officer of the said Company</p> <p>Apr. 2023: President of Mitsubishi UFJ Capital Co., Ltd.</p> <p>Apr. 2024: Corporate Vice President, the Company</p> <p>Apr. 2025: Senior Vice President, the Company (to present)</p> <p>[Reasons for candidacy] Yoichi Kassai has extensive business experience and broad-ranging knowledge in the banking and investment/loan fields within a major financial institution group. At the Company, he promotes group-wide internal control and risk management as Chief Risk Management Officer (CRO). He is the right person to drive the Company's sustainable growth and enhance its corporate value in the medium to long term. Accordingly, we have nominated him as a candidate for Director.</p>

Candidate number 4 [Reappointment] [External/Independent]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Takuya Nakata</p> <p>Date of birth: June 8, 1958</p> <p>Shares held in the Company Actual number of common shares held: 0 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as Director: 1 year</p> <p>Attendance at meetings of the Board of Directors: 14/14</p> <p>Duties at the Company: -</p>	<p>Apr. 1981: Joined Nippon Gakki Co., Ltd. (current Yamaha Corporation)</p> <p>Jun. 2006: Executive Officer of the said Company</p> <p>Jun. 2009: Director and Executive Officer of the said Company</p> <p>Apr. 2010: President of Yamaha Corporation of America</p> <p>Jun. 2010: Senior Executive Officer of Yamaha Corporation</p> <p>Jun. 2013: President and Representative Director of the said Company</p> <p>Jun. 2017: Director, President and Representative Executive Officer of the said Company</p> <p>Apr. 2024: Chairman of the Board of Directors of the said Company (to present)</p> <p>Jun. 2025: External Director, the Company (to present)</p> <p>[Important concurrent position outside the Company] Chairman of the Board of Directors of Yamaha Corporation External Director of Shiseido Company, Limited</p> <p>[Reasons for candidacy and overview of expected roles] Takuya Nakata served as Director, President and Representative Executive Officer of Yamaha Corporation and has held other important positions, and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. Accordingly, we have nominated him as a candidate for External Director.</p>

Candidate number 5 [Reappointment] [External/Independent]	Career summary and position at the Company, and important concurrent positions outside the Company
	<p>Apr. 1980: Joined the Ministry of International Trade and Industry (current Ministry of Economy, Trade and Industry (METI))</p> <p>Jan. 2010: Counsellor, Cabinet Secretariat (Office of Assistant Chief Cabinet Secretary) of the said Ministry</p> <p>Aug. 2011: Deputy Vice-Minister of METI</p> <p>Jun. 2013: Vice Minister of the said Ministry</p> <p>Jul. 2015: Retired from the said Ministry</p> <p>Jun. 2022: External Director, the Company (to present)</p> <p>[Important concurrent position outside the Company] Outside Director, Audit & Supervisory Committee Member of Mitsubishi Corporation</p>
<p>Tsuneyoshi Tatsuoka</p> <p>Date of birth: January 29, 1958</p> <p>Shares held in the Company Actual number of common shares held: 2,000 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as Director: 4 years</p> <p>Attendance at meetings of the Board of Directors: 19/19</p> <p>Duties at the Company: —</p>	<p>[Reasons for candidacy and overview of expected roles]</p> <p>Although Tsuneyoshi Tatsuoka has never been directly involved in corporate management in the past other than through acting as an External Director or an External Audit and Supervisory Board Member, he has held important positions at the Ministry of Economy, Trade and Industry, and possesses outstanding insight regarding industrial and economic policies. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. Accordingly, we have nominated him as a candidate for External Director.</p>


Candidate number 6 [New candidate] [External/Independent]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Toshihiro Uchiyama</p>	<p>Apr. 1981: Joined NSK Ltd. Jun. 2008: Vice President of the said Company Jun. 2010: Senior Vice President of the said Company Jun. 2012: Director, Senior Vice President of the said Company Jun. 2013: Director, Representative, Executive Vice President of the said Company Jun. 2015: Director, President and Chief Executive Officer of the said Company Apr. 2021: Chairman of the Board of Directors of the said Company Jun. 2023: Advisor of the said Company (to present)</p> <p>[Important concurrent position outside the Company] Advisor of NSK Ltd. Independent Director of IHI Corporation</p>
<p>Date of birth: November 28, 1958</p> <p>Shares held in the Company Actual number of common shares held: 0 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as Director: -</p> <p>Attendance at meetings of the Board of Directors: -</p> <p>Duties at the Company: -</p>	<p>[Reasons for candidacy and overview of expected roles] Toshihiro Uchiyama served as Director, President and Chief Executive Officer of NSK Ltd. and has held other important positions, and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. Accordingly, we have nominated him as a candidate for External Director.</p>

Item 3: Election of Three Directors Who Are Audit and Supervisory Committee Members

The term of office for Seiji Kikuchi, Shigeru Murayama, and Asako Yamagami, Directors who are Audit and Supervisory Committee Members, will expire at the conclusion of this General Shareholders' Meeting. Accordingly, the Company proposes that three Directors who are Audit and Supervisory Committee Members be elected.

The consent of the Audit and Supervisory Committee has been obtained for this item. The candidates are as follows.

Candidate number 1 [Reappointment]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Seiji Kikuchi</p> <p>Date of birth: October 15, 1965</p> <p>Shares held in the Company Actual number of common shares held: 2,566 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as Director: 2 years</p> <p>Attendance at meetings of the Board of Directors: 19/19</p> <p>Attendance at meetings of the Audit and Supervisory Committee: 12/12</p> <p>Duties at the Company: —</p>	<p>Apr. 1988: Joined the Company Jul. 2016: Department Manager of Finance Department, Finance & Accounting Division, the Company Jul. 2019: Department Manager of Business Planning Department, Semiconductor Lithography Business Unit, the Company Oct. 2021: Department Manager of Internal Audit Department, the Company Jun. 2024: Director (Audit and Supervisory Committee Member), the Company (to present)</p> <p>[Reasons for candidacy] Seiji Kikuchi, after having been involved in the sales section of the Precision Equipment Business, has been engaged in the finance and accounting section and served as Department Manager of Finance Department, Department Manager of Business Planning Department, Semiconductor Lithography Business Unit and the overseer of the internal audit section. He possesses a high level of expertise and outstanding insight in finance and accounting and internal auditing, and is the right person to secure the soundness and appropriateness of the Company's management as well as to enhance its transparency. Accordingly, we have nominated him as a candidate for Director.</p>

Candidate number 2 [Reappointment] [External/Independent]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Shigeru Murayama</p> <p>Date of birth: February 27, 1950</p> <p>Shares held in the Company Actual number of common shares held: 500 shares Number of dilutive shares held: 0 shares</p> <p>Years of service as External Director: 6 years</p> <p>Attendance at meetings of the Board of Directors: 19/19</p> <p>Attendance at meetings of the Audit and Supervisory Committee: 11/12</p> <p>Duties at the Company: Chair of the Audit and Supervisory Committee</p>	<p>Apr. 1974: Joined Kawasaki Heavy Industries, Ltd. Apr. 2005: Executive Officer of the said Company Apr. 2008: Managing Executive Officer of the said Company Jun. 2010: Representative Director and Senior Vice President of the said Company Jun. 2013: Representative Director and President of the said Company Jun. 2016: Representative Director and Chairman of the said Company Jun. 2017: Chairman of the Board of the said Company Jun. 2020: Senior Strategic Advisor of the said Company Jun. 2020: External Director, the Company Jun. 2024: External Director (Audit and Supervisory Committee Member), the Company (to present)</p> <p>[Reasons for candidacy and overview of expected roles] Shigeru Murayama served as Representative Director and President of Kawasaki Heavy Industries, Ltd. and has held other important positions, and possesses long years of management experience and outstanding insight. For those reasons, we expect that he will be able to provide advice and recommendations on the overall management of the Company from a big-picture perspective and that he will also be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. Accordingly, we have nominated him as a candidate for External Director.</p>

Candidate number 3 [New candidate] [External/Independent]	Career summary and position at the Company, and important concurrent positions outside the Company
 <p>Yoko Seki</p> Date of birth: August 30, 1970 Shares held in the Company Actual number of common shares held: 0 shares Number of dilutive shares held: 0 shares Years of service as Director: - Attendance at meetings of the Board of Directors: - Attendance at meetings of the Audit and Supervisory Committee: - Duties at the Company: -	<p>Apr. 1995: Joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC) Oct. 2002: Registered as an attorney-at-law Joined Baba & Sawada Law Office Nov. 2002: Registered as a Certified Public Accountant Dec. 2006: Joined Ginza Prime Law Office (to present) Apr. 2014: Professor at Kokushikan University (to present)</p> <p>[Important concurrent position outside the Company] Supervisory Director of AEON REIT Investment Corporation Outside Director of Takasago Thermal Engineering Co., Ltd. Outside Audit and Supervisory Board Member of HANASAKU LIFE INSURANCE Co., Ltd. (scheduled to assume office in June 2026)</p> <p>[Reasons for candidacy and overview of expected roles] Although Yoko Seki has never been directly involved in corporate management in the past other than through acting as an External Director or External Audit and Supervisory Board Member, she possesses outstanding insight regarding legal affairs and corporate accounting, etc. as an attorney-at-law and a Certificated Public Accountant. For those reasons, we expect that she will be able to contribute to securing the soundness and appropriateness of the Company's management as well as to the enhancement of its transparency. Accordingly, we have nominated her as a candidate for External Director.</p>

Notes:

1. There are no special interests between the Company and any of the candidates listed in Items 2 and 3.
2. Takuya Nakata and Tsuneyoshi Tatsuoka, the nominees under Item 2, and Shigeru Murayama, the nominee under Item 3, are candidates for the position of External Director. The Company has reported each of them to Tokyo Stock Exchange, Inc. as an independent director. Takuya Nakata, Tsuneyoshi Tatsuoka and Shigeru Murayama are External Directors of the Company, and will have served as External Directors of the Company for one year, four years and six years (of which, two years as an External Director who is an Audit and Supervisory Committee Member), respectively, at the conclusion of this General Shareholders' Meeting. In addition, Toshihiro Uchiyama, the nominee under Item 2, and Yoko Seki, the nominee under item 3, are candidates for the position of External Director, and the Company will report each of them to Tokyo Stock Exchange, Inc. as an independent director.
3. If Items 2 and 3 are approved, the Company intends to continue agreements with Takuya Nakata and Tsuneyoshi Tatsuoka, the nominees under Item 2, and Seiji Kikuchi and Shigeru Murayama, the nominees under Item 3, that limit their liability for damages under Article 423, Paragraph 1 of the Companies Act pursuant to the provisions of Article 427, Paragraph 1 of the said Act. In addition, the Company intends to conclude the agreements with Toshihiro Uchiyama, the nominee under Item 2 and, Yoko Seki, the nominee under Item 3. The limit on the liability for damages in these agreements is the lowest amount prescribed in Article 425, Paragraph 1 of the Companies Act.
4. Muneaki Tokunari, Yasuhiro Ohmura, Yoichi Kassai, Takuya Nakata, and Tsuneyoshi Tatsuoka, the nominees under Item 2, and Seiji Kikuchi and Shigeru Murayama, the nominees under Item 3, are currently Directors or Officers of the Company, and the Company has concluded a Directors and Officers Liability Insurance Contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act under which they are each included as insured persons. If Items 2 and 3 are approved, they will continue to be included as insured persons in this insurance contract. In addition, Toshihiro Uchiyama, the nominee under Item 2, and Yoko Seki, the nominee under Item 3 will be included as insured persons in this insurance contract if Items 2 and 3 are approved. This contract covers damages, etc. to be borne by the insured person as a result of claims for damages received in the course of business execution by the insured person as an officer of the Company, and the insured person bears approximately 10% of the insurance premium. The Company intends to renew this insurance contract with the same terms and conditions during their terms of office.
5. Takuya Nakata, the nominee under Item 2, served as an Outside Director of Yamaha Motor Co., Ltd. until March 2025. In June 2024, the said company announced that inappropriate conduct had been identified in relation to type designation applications for motorcycles sold under its brand. Although he was not aware of the matter until it came to light, he had, on an ongoing basis, provided recommendations as appropriate from the perspectives of legal compliance and compliance-oriented management. After the matter came to light, he appropriately fulfilled his responsibilities by, among other actions, making recommendations regarding a thorough investigation of the facts, strengthening internal controls to prevent recurrence, and further ensuring compliance.
6. Toshihiro Uchiyama, the nominee under Item 2, serves as an Independent Director of IHI Corporation. At the said company, it was discovered that inappropriate alterations had been made to test run records for marine engines and land-use engines manufactured by its subsidiary IHI Power Systems Co., Ltd., and that inappropriate conduct had occurred in snow-removal performance tests for rotary snowplows manufactured by another subsidiary Niigata Transys Co., Ltd., IHI Corporation announced these matters in April 2024 and July 2024, respectively, and is working to investigate their causes and formulate measures to prevent recurrence. In addition, in March 2025, the Japan Fair Trade Commission found that IHI Transport Machinery Co., Ltd., a subsidiary of IHI Corporation that changed its trade name to IHI Parking Square Co., Ltd., in April 2026, had engaged in conduct that violated the Antimonopoly Act in its mechanical parking system business. (The subsidiary was not subject to a cease and desist order or surcharge payment order because it was granted application of the leniency program.) IHI Corporation is also making thorough efforts to prevent recurrence of this matter. Although he was not aware of any of these matters until they came to light, he had, on an ongoing basis, made timely recommendations regarding the importance of legal compliance and internal controls. After the matters came to light, he appropriately fulfilled his responsibilities by, among other actions, directing that thorough investigations and analyses be conducted to identify the causes, making recommendations as appropriate on the formulation and implementation of measures to prevent recurrence, and monitoring the progress of those measures.
7. "Number of dilutive shares held" is shown as reference for the number of shares to be delivered if subscription rights to shares granted as stock-based compensation system are exercised. None of the nominees for Directors who are Audit and Supervisory Committee Members hold dilutive stock.

(Reference Information for Items 4 and 5) Outline of the Compensation System Revisions

Compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company consists of monetary compensation (fixed compensation and bonus) and stock compensation (restricted stock compensation and performance share unit compensation). In conjunction with the formulation of a new medium-term management plan, the Company has decided to revise its stock compensation system in order to further incentivize Directors to achieve the targets set forth in the medium-term management plan, enhance corporate value over the medium to long term, and further promote value sharing with shareholders. The outline of the revisions is as follows.

The details of the revisions to the system were deliberated by the Compensation Committee, the majority and chair of which are Independent External Directors. As a result, the Compensation Committee has determined that the details are necessary and reasonable in light of the number of Directors eligible to be granted, etc., and appropriate from the perspective of enhancing corporate value.

	Item 4	Item 5
Type of stock compensation	Restricted stock unit compensation	Performance share unit compensation
Annual maximum number of shares to be delivered	Up to 120,000 shares	Up to 240,000 shares
Calculation method	Number of shares to be delivered = Base reference amount by title / Reference stock price	Number of shares to be delivered = Base reference amount by title / Reference stock price x Performance- based coefficient
Fluctuation range	—	0-200%
Eligible persons	Directors who are not Audit and Supervisory Committee Members (excluding Non-Executive Directors and foreign nationals)	
Timing of delivery	The first June following the end of each fiscal year	
Shares to be delivered	Common stock (restricted stock) of the Company with provisions for events of acquisition by the Company without consideration. In principle, the transfer of the shares is restricted until retirement.	
Cases of cash payment	In certain cases, such as when a Director retires before the delivery date, cash equivalent to the market value of the stock will be paid.	

Please refer to the Business Report “Current state of the Company, 1. Matters relating to Directors, (4) Compensation, etc. for Directors and Officers, etc.” for details of the executive compensation system. If Items 4 and 5 are approved as proposed, the Company plans to revise the restricted stock unit compensation system and performance share unit compensation system for Officers of the Company (including Executive Fellows and other positions equivalent to Officers), in the same manner as the contents of the Items.

Item 4 Revision of Restricted Stock Unit Compensation System for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the 158th Annual General Shareholders' Meeting held on June 29, 2022, approval was obtained to pay, to Directors who are not Audit and Supervisory Committee Members (excluding External Directors, other Non-Executive Directors and non-residents of Japan), restricted stock compensation up to ¥100 million per fiscal year (with the number of shares of Restricted Stock (I) (as defined below) to be delivered to eligible Directors not exceeding 150,000 shares per fiscal year).

In conjunction with the formulation of a new medium-term management plan, the Company has decided to revise its restricted stock compensation system with the aim of strengthening incentives for Directors to achieve the targets set forth in the medium-term management plan and of further enhancing medium- to long-term corporate value and value sharing with shareholders. The revised restricted stock unit compensation proposed herein is referred to as the "RSU."

Specifically, the Company proposes to change the timing of delivery of shares of the Company's common stock or cash equivalent to the market value of the Company's common stock (collectively, the "Company's Stock, etc.") to be delivered to Directors who are not Audit and Supervisory Committee Members (excluding External Directors, other Non-Executive Directors, and foreign nationals) to after the end of each fiscal year; to change the compensation to be delivered in certain cases, such as when an eligible Director retires before the delivery date of restricted stock, from restricted stock to cash equivalent to the market value thereof; and to change the maximum number of Restricted Stock (I) to be delivered to eligible Directors to 120,000 shares per fiscal year. If Item 2: Election of Six Directors (excluding Directors Who Are Audit and Supervisory Committee Members) is approved as proposed, the number of Directors eligible for RSU ("Eligible Directors" in this proposal) will be three (3).

If this Item and Item 5 are approved as originally proposed, the Company plans to change the policy for determining individual compensation related to stock compensation, as described in "Basic policies for decisions on compensation, etc. for individual Directors and Officers, etc." (revision) on page 25, under (Reference). The Board of Directors has also determined that this proposal is reasonable, given that: the proposal is necessary and reasonable in order to grant compensation, etc. to individual Directors in line with the basic policies; the maximum number of shares to be issued or shares of treasury shares to be disposed of in each fiscal year in accordance with the RSU system accounts for less than 1% of the total number of shares issued (as of March 31, 2026); the proposal does not differ from the previous restricted stock compensation system in that it aims for the "medium- to long-term enhancement of corporate value and value sharing with shareholders"; and the Compensation Committee also viewed the details of the revision of executive compensation as reasonable from the perspective of enhancing corporate value.

Further, the Company has received a report from the Audit and Supervisory Committee that there are no matters to be pointed out.

1. Overview of the RSU system

This is a compensation system under which shares of the Company's common stock that are subject to provisions on a certain transfer restriction period and grounds for acquisition by the Company without contribution, etc. ("Restricted Stock (I)") are delivered to Eligible Directors.

(1) Upper limit of the amount of compensation, etc.

Upon resolution by the Board of Directors, the Company shall, in principle, grant monetary compensation claims to Eligible Directors every year after the end of each fiscal year. Meanwhile, Eligible Directors shall receive Restricted Stock (I) by making an in-kind contribution of the said monetary compensation claims at the time of issuance of Restricted Stock (I) or the disposal of treasury shares by the Company.

The amount of such monetary compensation claims shall be the amount obtained by multiplying the number of shares of Restricted Stock (I) to be delivered, as determined based on the calculation formula in (3) below, by the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of the resolution by the Board of Directors on the issuance of Restricted Stock (I) or the disposal of treasury shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

The upper limit of the total amount of monetary compensation claims and cash to be delivered by the Company to Eligible Directors under the RSU system shall be the amount obtained by multiplying the upper limit of the number of shares of Restricted Stock (I) to be delivered to Eligible Directors per fiscal year of 120,000 shares, as set forth in (3) below, by the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of the resolution by the Board of Directors on the issuance of Restricted Stock (I) or the disposal of treasury shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

(2) Details of transfer restrictions and lifting of transfer restrictions

(i) Details of transfer restrictions

Each Eligible Director shall be, in principle, prohibited from transferring, creating a security interest on, or otherwise disposing of Restricted Stock (I) during the period from the date on which the Eligible Director receives Restricted Stock (I) until the date on which the Eligible Director retires from any and all of the positions as Director (including Executive Officer at a company with three committees) and Officer (including Executive Fellow and other positions equivalent to Officer) (the "Restriction Period (I)"), pursuant to an agreement between the Company and the Eligible Director.

(ii) Lifting of transfer restrictions

The Company shall lift the transfer restrictions on all of the Restricted Stock (I) held by Eligible Directors who have received Restricted Stock (I) upon the expiry of the Restriction Period (I).

(iii) Acquisition without contribution

If an Eligible Director retires from any of the positions as Director (including Executive Officer at a company with three committees) and Officer (including Executive Fellow and other positions equivalent to Officer) without a justifiable reason or if certain other circumstances arise before the lifting of the transfer restrictions, the Company shall acquire all of the Restricted Stock (I) without contribution immediately after the circumstance arises.

(iv) Treatment during reorganization, etc.

If, during the Restriction Period (I), matters relating to a merger agreement under which the Company will become a dissolving company, a share exchange agreement or a share transfer plan under which the Company will become a wholly-owned subsidiary of another company, or other certain reorganization, etc., are approved at a General Shareholders' Meeting (or at a Board of Directors meeting in case where approval at a General Shareholders' Meeting is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on all of the Restricted Stock (I).

(3) Calculation method of Company's Stock, etc. to be received by Eligible Directors and upper limit thereof

The Company shall determine the number of Restricted Stock (I) to be delivered to each of the Eligible Directors for each fiscal year in accordance with the calculation formula defined below:

Number of shares to be delivered = Base reference amount by title (*1) / Reference stock price (*2)

*1 To be determined according to factors such as the title of, content of duties performed by, and responsibilities of each Eligible Director.

*2 The closing price of the Company's common stock on the Tokyo Stock Exchange on June 26, 2026.

The number of shares of Restricted Stock (I) to be delivered by the Company to Eligible Directors shall not exceed 120,000 shares per fiscal year. Provided, however, that if the total number of shares issued by the Company increases or decreases as a result of a share consolidation, share split, allotment of shares without contribution, or similar event ("Share Split, etc."), the said upper limit shall be reasonably adjusted according to the ratio of the Share Split, etc.

As described in (4) below, in certain cases, such as where an Eligible Director retires before the delivery date of Restricted Stock (I), cash equivalent to the market value thereof shall be paid instead of Restricted Stock (I).

(4) Delivery, etc. of the Company's Stock, etc. to Eligible Directors

The Company shall deliver, in accordance with prescribed procedures after the end of each fiscal year, the number of shares of Restricted Stock (I) calculated as set forth in (3) above to Eligible Directors who remain in service during each fiscal year, by the method described in (1) above, on condition that they have continuously held any position as Director (including Executive Officer at a company with three committees) or Officer (including Executive Fellow and other positions

equivalent to Officer) throughout the period determined by the Board of Directors (the “Service Offering Period (I)”). Provided, however, that if the tenure during the Service Offering Period (I) is shorter than the entire Service Offering Period (I), due to reasons such as being appointed as an Eligible Director during the Service Offering Period (I), the number of shares of Restricted Stock (I) to be delivered shall be reasonably adjusted.

In addition, if an Eligible Director retires for a justifiable reason before the delivery date of Restricted Stock (I) (including the case where the Eligible Director has died), the Company shall pay cash equivalent to the market value of the Company’s common stock in the number obtained by prorating the number of shares to be delivered, as calculated in (3) above, according to the tenure during the Service Offering Period (I) from the start of the Service Offering Period (I) to the date of retirement (in the case of death, such cash shall be paid to a person who succeeds to the Eligible Director’s rights to delivery of shares, etc.).

If an Eligible Director is a non-resident of Japan at the time of delivery, the Company shall pay cash equivalent to the market value of the Company’s common stock corresponding to the number of shares to be delivered, as calculated in (3) above.

Item 5 Revision of Performance Share Unit Compensation System for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the 158th Annual General Shareholders' Meeting held on June 29, 2022, approval was obtained to pay, to Directors who are not Audit and Supervisory Committee Members (excluding External Directors, other Non-Executive Directors, and non-residents of Japan), performance share unit compensation, for each evaluation fiscal year, up to the amount obtained by multiplying the upper limit of the number of shares of Restricted Stock (II) (as defined below) to be delivered to eligible Directors, which is 110,000 shares, by the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of resolution by the Board of Directors on the issuance of Restricted Stock (II) or the disposal of treasury shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

In conjunction with the formulation of a new medium-term management plan, the Company has decided to revise its performance share unit compensation ("PSU" in this proposal) system in order to further incentivize Directors to achieve the targets set forth in the medium-term management plan, enhance corporate value over the medium- to long term, and further promote value sharing with shareholders.

Specifically, the Company proposes to change the calculation method for the Company's Stock, etc. to be delivered to Directors who are not Audit and Supervisory Committee Members (excluding External Directors and other Non-Executive Directors and foreign nationals) and to change the maximum number of Restricted Stock (II) to be delivered to such Directors to 240,000 shares for each evaluation fiscal year. If Item 2: Election of Six Directors (excluding Directors Who Are Audit and Supervisory Committee Members) is approved as proposed, the number of Directors eligible for PSU ("Eligible Directors" in this proposal) will be three (3).

The Board of Directors has also determined that this proposal is reasonable, given that: the proposal is necessary and reasonable in order to grant compensation, etc. to individual Directors in line with the basic policies; the maximum number of shares to be issued or treasury shares to be disposed of in each fiscal year in accordance with the PSU system accounts for less than 1% of the total number of shares issued (as of March 31, 2026); the proposal does not differ from the previous performance share unit compensation system in that it aims for the "medium- to long-term enhancement of corporate value and promotion of value sharing with shareholders"; and the Compensation Committee also viewed the details of the revision of executive compensation as reasonable from the perspective of enhancing corporate value.

Further, the Company has received a report from the Audit and Supervisory Committee that there are no matters to be pointed out.

1. Overview of the revised PSU system

This is a compensation system under which the Company's Stock, etc. in a number calculated based on the degree of achievement of performance targets, etc. for each evaluation fiscal year is

delivered to Eligible Directors.

(1) Evaluation fiscal year

An evaluation fiscal year shall be each fiscal year of the period covered by a medium-term management plan subject to payment (covering multiple consecutive fiscal years to be separately determined by the Board of Directors each time a new medium-term management plan is formulated, starting from the fiscal year following the final fiscal year of the previous target period; hereinafter referred to as the “Target Period”).

(2) Upper limit of the amount of compensation, etc.

Each year, in principle after the end of each evaluation fiscal year, the Company shall grant monetary compensation claims to Eligible Directors according to the degree of achievement of performance targets, etc. for each evaluation fiscal year. Eligible Directors shall receive shares of the Company’s common stock that are subject to provisions on a certain transfer restriction period and grounds for acquisition by the Company without contribution, etc. (“Restricted Stock (II)”) by making an in-kind contribution of the said monetary compensation claims at the time of issuance of Restricted Stock (II) or the disposal of treasury shares by the Company.

The amount of such monetary compensation claims shall be the amount obtained by multiplying the number of shares of Restricted Stock (II) to be delivered, as determined based on the calculation formula in (4) below, by the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day prior to the date of the resolution by the Board of Directors on the issuance of Restricted Stock (II) or the disposal of treasury shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

The upper limit of the total amount of monetary compensation claims and cash to be delivered by the Company to Eligible Directors under the performance share unit compensation system shall be the amount obtained by multiplying the upper limit of the number of shares of Restricted Stock (II) to be delivered to Eligible Directors per evaluation fiscal year of 240,000 shares, as set forth in (4) below, by the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day prior to the date of the resolution by the Board of Directors on the issuance of Restricted Stock (II) or the disposal of treasury shares (if there is no closing price on such date, the closing price on the closest preceding trading day).

(3) Details of transfer restrictions and lifting of transfer restrictions

The details of transfer restrictions and lifting of transfer restrictions for Restricted Stock (II) shall apply mutatis mutandis to Item 4, 1. (2) (i) through (iv) above. In such application, “Restriction Period (I)” shall be deemed to be replaced with “Restriction Period (II),” and “Restricted Stock (I)” shall be deemed to be replaced with “Restricted Stock (II).”

As described in (5) below, in certain cases, such as where an Eligible Director retires before the

delivery date of Restricted Stock (II), cash equivalent to the market value thereof shall be paid instead of Restricted Stock (II).

(4) Calculation method of Company's Stock, etc. to be received by Eligible Directors and upper limit thereof

The Company shall deliver the number of Restricted Stock (II) calculated based on the degree of accomplishment of performance targets and the title of each Eligible Director, etc. for each evaluation fiscal year during the Target Period to each individual Eligible Director. The number of Restricted Stock (II) to be delivered to each Eligible Director per evaluation fiscal year shall be determined in accordance with the calculation formula defined below:

Number of shares to be delivered

= Base reference amount by title (*1) / Reference stock price (*2) x Performance-based coefficient (*3)

*1: To be determined according to factors such as the title of, content of duties performed by, and responsibilities of each Eligible Director.

*2: The closing price of the Company's common stock on the Tokyo Stock Exchange on June 26, 2026.

*3: The degree of achievement of each evaluation benchmark for the targets set forth in the medium-term management plan shall be deliberated by the Compensation Committee within a range of 0% to 200%. The performance-based coefficient shall be calculated by totaling the values multiplied by the weights of respective evaluation benchmarks. Points may be added to or subtracted from the performance-based coefficients, which are calculated as above, within 25 points, respectively, upon decisions of the Compensation Committee and the Board of Directors in consideration of, among other factors, economic conditions during each evaluation fiscal year, and subsequent events and other special circumstances of the Company. Even in such cases, however, the performance-based coefficients shall be determined within a range of 0% to 200%.

The target for evaluation benchmarks shall be determined at the beginning of the first fiscal year of the Target Period, and the target values for each evaluation benchmark shall be determined at the beginning of each fiscal year, by the Board of Directors in accordance with the results of deliberations by the Compensation Committee, after the Compensation Committee deliberates on appropriate levels for achieving the targets of the medium-term management plan, taking into account the state of the Company at the time and other factors. The upper limit of the number of Restricted Stock (II) to be delivered by the Company to Eligible Directors shall be 240,000 shares per evaluation fiscal year; provided, however, that if the total number of shares issued by the Company increases or decreases as a result of Share Split, etc., the said upper limit shall be reasonably adjusted according to the ratio of Share Split, etc.

(5) Delivery, etc. of the Company's Stock, etc. to Eligible Directors

The Company shall deliver the number of Restricted Stock (II), which is calculated as (4) above, to Eligible Directors who remain in service during each evaluation fiscal year in accordance with the prescribed procedures after the end of each evaluation fiscal year in the manner described in (2) above, on condition that each Eligible Director continues to as Director (including Executive Officer at a company with three committees) or Officer (including Executive Fellow and other positions equivalent to Officer) throughout a period determined by the Board of Directors ("Service Offering Period (II)"). However, if the

tenure of an Eligible Director during the Service Offering Period (II) is shorter than the entire period of the Service Offering Period (II) due to the assumption of position as Eligible Director during the period or other such reasons, the number of Restricted Stock (II) to be delivered shall be reasonably adjusted.

In addition, if an Eligible Director retires for a justifiable reason before the delivery date of Restricted Stock (II) (including the case where the Eligible Director has died), the Company shall pay cash equivalent to the market value of the Company's common stock in the number obtained by prorating the number of shares to be delivered, as calculated in (4) above, according to the Eligible Director's tenure during each evaluation fiscal year from the start of such evaluation fiscal year to the date of retirement (in the case of death, such cash shall be paid to a person who succeeds to the Eligible Director's rights to delivery of shares, etc.).

If an Eligible Director is a non-resident of Japan at the time of delivery, the amount of cash equivalent to the market value of the number of shares of the Company's common stock to be delivered, which is calculated as (4) above, shall be delivered to the Eligible Director.

(Reference)

Compensation for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) consists of monetary compensation (fixed compensation and bonus) and stock compensation (restricted stock compensation and performance share unit compensation), with its amount set according to their position and responsibilities. If Items 4 and 5 are passed, executive compensation system will be as follows. The compensation for Directors who are Audit and Supervisory Committee Members is fixed compensation only, and the amount is determined by the Audit and Supervisory Committee after deliberation by the Compensation Committee.

Basic policies for decisions on compensation, etc. for individual Directors and Officers, etc. (revision)

1. Basic policies on Compensation

Executive compensation for the Company's Directors and Officers (including Executive Fellows and other positions equivalent to Officers; Officers, Executive Fellows, and other positions equivalent to Officers hereinafter called "Officers, etc.") is determined to satisfy the following basic criteria.

- Executive compensation should motivate Directors and Officers, etc. to sustainably improve corporate and shareholder value, as well as enhance their willingness and morale.
- Executive compensation should help keep, cultivate, and reward excellent personnel.
- The decision-making process for the compensation system should be objective and transparent.

2. Compensation system and performance-based structure

The compensation system for Officers, etc. (including Directors who also serve as Officers, etc.) comprises monetary compensation (fixed compensation and bonus) and stock compensation. The standard payment of bonus and stock compensation to be paid to individual Officers, etc. is calculated by multiplying the amount of their respective fixed compensation by a ratio, which is determined according to their respective title and duties. When the ratio of fixed compensation is assumed to be 1, the range of the ratio for the standard payment of each compensation is as shown below.

Stock compensation consists of performance share unit (PSU) compensation and restricted stock unit (RSU) compensation using restricted stock in order to further incentivize Directors and Officers, etc. to achieve the targets set forth in the medium-term management plan, enhance corporate value over the medium- to long term, and further promote value sharing with shareholders. The compensation for Non-Executive Directors is fixed compensation only.

	Fixed compensation	Short-term performance		Medium-term performance		Long-term performance																											
		Bonus		Performance share unit compensation		Restricted stock unit compensation																											
Detail	Not linked to performance. Base amounts to be determined and paid according to position and responsibilities.	Base amounts to be set according to position and responsibilities and fluctuate in proportion to consolidated results for each fiscal year, the degree of achievement of targets and qualitative assessments, etc. of the division in charge. Business ROIC, etc. to be used to evaluate the performance of the division in charge.		Base amounts to be set according to position and responsibilities and fluctuate in proportion to the number obtained by dividing the amounts by the market value of the Company's stock at a predetermined time and the company-wide evaluation for each fiscal year. Initiatives to strengthen the management base to be assessed based on the achievement status of each of the five evaluation items (human capital management, manufacturing, DX, executive management, and sustainability).		Base amounts to be set according to position and responsibilities and determined by dividing the amounts by the market value of the Company's stock at a predetermined time.																											
Percentage*	1	0.60–0.70		0.20–0.34		0.20–0.34																											
Evaluation Benchmark	—	<table border="1"> <thead> <tr> <th>Evaluation Benchmark</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>15–30%</td> </tr> <tr> <td>Operating profit</td> <td>15–70%</td> </tr> <tr> <td>Performance evaluation of the division in charge</td> <td>0–40%</td> </tr> <tr> <td>Qualitative assessment</td> <td>0 or 30%</td> </tr> </tbody> </table>		Evaluation Benchmark	Weight	Revenue	15–30%	Operating profit	15–70%	Performance evaluation of the division in charge	0–40%	Qualitative assessment	0 or 30%	<table border="1"> <thead> <tr> <th colspan="2">Evaluation Benchmark</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td colspan="2">Companywide ROIC</td> <td>30%</td> </tr> <tr> <td colspan="2">ROE</td> <td>20%</td> </tr> <tr> <td rowspan="2">Relative Total Shareholder Return</td> <td>Against the TOPIX</td> <td>20%</td> </tr> <tr> <td>Against the peer group</td> <td>20%</td> </tr> <tr> <td colspan="2">Initiatives to strengthen the management base</td> <td>10%</td> </tr> </tbody> </table>		Evaluation Benchmark		Weight	Companywide ROIC		30%	ROE		20%	Relative Total Shareholder Return	Against the TOPIX	20%	Against the peer group	20%	Initiatives to strengthen the management base		10%	—
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Performance-based range	—	0–200%		0–200%		—																											
Type	Monetary compensation			Stock compensation																													
Timing of delivery/payment	Monthly	The first June following the end of each fiscal year																															

Notes:

- * is the percentage of each compensation when the fixed compensation is assumed to be 1. The percentage of compensation varies according to position and responsibilities.
- Stock compensation will be delivered to the extent that the share dilution ratio for each fiscal year does not exceed 1%. Disposal is prohibited in principle until their retirement from any of the positions as Director or Officers, etc.
- In the case of retirement due to justifiable reasons before the date of delivery of performance share unit compensation and restricted stock unit compensation or being non-resident of Japan on the date of delivery, cash equivalent to the market value of the restricted stock will be provided instead.

3. Decisions on compensation amount and calculation method based on deliberations by the Compensation Committee

Compensation for Directors who are not Audit and Supervisory Committee Members, Officers, etc. is deliberated on by the Compensation Committee by comprehensively taking into account the titles, duties, responsibilities, and other situations, and based on the results of such deliberations, determined by the Board of Directors. Compensation for Directors who are Audit and Supervisory Committee Members is determined by consultation among Directors who are Audit and Supervisory Committee Members.

The majority and chair of the Compensation Committee are Independent External Directors, and the Compensation Committee takes into account the compensation levels of major Japanese companies that globally develop their businesses, so as to determine the compensation amount consistent with the Company's performance and business scale.

4. Claim for return, etc.

If a Director (excluding Director who is Audit and Supervisory Committee Member and foreign national) or an Officer, etc. (excluding foreign national) of the Company is found to have committed serious violation of laws and regulations and other illegal acts or if other cases occur, the Company shall be able to claim revocation or return of all or part of bonus, performance share unit compensation, and restricted stock unit compensation paid or delivered or take other measures.

(Reference)

The percentage of compensation for Directors and Officers (including Executive Fellows and other positions equivalent to Officers) is set so that the higher the position and responsibilities, the higher the performance-based portion of the compensation. The percentage of each compensation, with the base payment amount set at 100%, is as follows:

	Fixed compensation	Bonus	Performance share unit compensation	Restricted stock unit compensation	Total
Chairman and President	42%	30%	14%	14%	100%
Others	46–50%	30%	10–12%	10-12%	100%

The weight of each evaluation benchmark in bonus is as follows:

	Bonus				Total
	Revenue	Operating profit	Performance evaluation of the division in charge	Qualitative assessment	
Chairman and President	30%	70%	—	—	100%
Others	15–20%	15–40%	10–40%	30%	100%

The weights of each evaluation benchmark for the initial period (FY2026–2030) in performance share unit compensation, and the targets for FY2030, the final fiscal year of the initial medium-term management plan, are as follows:

Evaluation Benchmark		Weight	FY 2030 target
Companywide ROIC		30%	7%
ROE		20%	10%
Relative Total Shareholder Return	Against the TOPIX	20%	Evaluate based on a comparison between the Company and the TOPIX (including dividends)
	Against the peer group	20%	Evaluate based on relative ranking against the total shareholder return growth rate of the peer group
Initiatives to strengthen the management base		10%	Evaluate five areas comprehensively: human capital management, manufacturing, DX, executive management, and sustainability

Note: Bonus and performance share unit compensation will fluctuate between 0–200% in proportion to performance results. The applicable coefficient is set with a lower limit of 50% and an upper limit of 200%. The applicable coefficient will be 0% for the results below the lower limit and 200% for the results above the upper limit.

(Reference) Directors after the 162nd Annual General Shareholders' Meeting (planned)

To accomplish its management strategy, the Company has selected the specific skills expected from its directors as shown in the table below, and authorized them following the deliberation by the Nominating Committee. The skills include knowledge on and experience in corporate management, management strategy, internal control, and governance as well as the Company's business characteristics and issues. The composition of the Board of Directors is designed to ensure that each director possesses these skills in a well-balanced manner and the Board as a whole can demonstrate its effectiveness, taking into account the need to maintain diversity and an appropriate number of directors.

Name	Gender	Position in the Company	Major background of external director	Attendance at meetings during FY2026/3				Planned committee members for FY2027/3		Knowledge and experience expected from directors						
				Board of Directors	Audit and Supervisory Committee	Nominating Committee	Compensation Committee	Nominating Committee	Compensation Committee	Corporate management and management strategy	Internal control and governance	Legal and risk management	Finance and accounting/M&A	Global business	Technology	Sustainability
Agenda Item 2	Muneaki Tokunari [Reappointment]	Male	Director Representative Director and Chairman	19/19 100%	-	9/9 100%	5/5 100%	○	○	●	●		●			●
	Yasuhiro Ohmura [Reappointment]	Male	Director Representative Director	19/19 100%	-	-	-	○	○	●	●			●	●	
	Yoichi Kassai [New candidate]	Male	Director	-	-	-	-				●	●		●		●
	Takuya Nakata [Reappointment]	Male	Director Chair of the Board	14/14 100%	-	-	3/3 100%*		○*	●	●				●	
	Tsuneyoshi Tatsuoka [Reappointment]	Male	Director	19/19 100%	-	-	5/5 100%		○	●	●			●		
	Toshihiro Uchiyama [New candidate]	Male	Director	Director, President and Chief Executive Officer of NSK Ltd.	-	-	-	-	○		●	●		●		
Agenda Item 3	Seiji Kikuchi [Reappointment]	Male	Director Full-time Audit and Supervisory Committee Member	19/19 100%	12/12 100%	-	-				●		●	●		
	Shigeru Murayama [Reappointment]	Male	Director Chair of Audit and Supervisory Committee	19/19 100%	11/12 92%*	9/9 100%	-	○*		●				●	●	
	Yoko Seki [New candidate]	Female	Director Audit and Supervisory Committee Member	-	-	-	-	○			●		●			●
Incumbent directors	Satoshi Hagiwara	Male	Director Full-time Audit and Supervisory Committee Member	19/19 100%	12/12 100%	-	-			●	●		●			
	Michiko Chiba	Female	Director Audit and Supervisory Committee Member	18/19 95%	11/12 92%	-	5/5 100%		○		●	●	●			

- Notes 1. * indicates chair. For FY2026/3, the state after the 161st Annual General Shareholders' Meeting is described.
2. Representative Director and Chairman; Representative Director; Chairman of the Board; Full-time Audit and Supervisory Committee Member; Chair of the Audit and Supervisory Committee; Member and Chair of the Nominating Committee and the Compensation Committee will be determined at the meetings of the Board of Directors or the Audit and Supervisory Committee, after the Annual General Shareholders' Meeting.
3. Attendance at meetings represents the number of meetings attended by each person during his/her term of office.
4. Of skills each person possesses, up to four items of knowledge and experience on which the Board particularly relies are listed.

Definition of skills

- Corporate management and management strategy:** knowledge on and experience in corporate management and formulation/implementation of management strategies.
- Internal control and governance:** knowledge on and experience in establishing/operating internal control and governance systems for the purpose of sound and efficient business operations.
- Legal and risk management:** knowledge on and experience in managing the legal affairs and risks to maintain appropriate business activities.
- Finance and accounting/M&A:** knowledge on and experience in finance and accounting to help build a strong financial foundation; knowledge on and experience in mergers and acquisitions aimed at achieving sustainable growth.
- Global business:** knowledge on and experience in corporate management and business development on a global scale.
- Technology:** knowledge on and experience in formulating/implementing strategies for R&D, design and production technologies that respond to customer needs and changes in the external environment.
- Sustainability:** knowledge on and experience in sustainability initiatives, including climate change response, resource circulation, respect for human rights, and utilization of diverse human resources.

(Reference)

Criteria for determining independence of external directors

In addition to the criteria for external directors under the Companies Act, the Company judges an external director candidate to be independent if he/she does not fall under any of the following criteria.

- (1) The candidate serves or served the Group in the past.
- (2) The candidate is a “major client or supplier*” of the Company or an executive thereof.
- (3) The candidate is a major shareholder of the Company or an executive of the said major shareholder.
- (4) The candidate served in the past at a company whose directors are concurrently serving as external directors of the Company and vice versa.
- (5) The candidate is a person who belongs to a company or organization that receives a donation from the Company, or a person who served in the past at such a company or organization.
- (6) The candidate’s relative within the second degree of kinship serves as an important executive of a “major client or supplier” of the Group or the Company.

* “Major client or supplier” refers to a client or supplier that fall into either of the following.

- (i) A client or supplier with whom the Company has transaction that falls into the following, in any of the past three years
 - a party that receives payment from the Company equivalent to 2% of the party’s consolidated net sales or 100.0 million yen, whichever the greater
 - a party which makes payments to the Company equivalent to 2% of the Company’s consolidated net sales or 100.0 million yen, whichever the greater
- (ii) A consultant, an accounting professional, or a legal professional who receives compensation from the Company in excess of 10.0 million yen per year (average over the past three fiscal years)

(Reference) Policy on and status of cross-shareholdings

The Company's policy on cross-shareholdings is as follows.

If the Company holds shares in other listed companies for strategic purposes, the Board of Directors regularly examines and verifies the rationale for holding such shares for each of the listed companies in terms of strategic significance and rationality, benefits and risks that accompany the cross-shareholding, including total shareholder return and related earnings on transactions, and capital costs that the Company bears. If the Board of Directors finds the necessity or rationality for holding such shares insignificant, the Company gives due consideration to options, including the possibility of selling them.

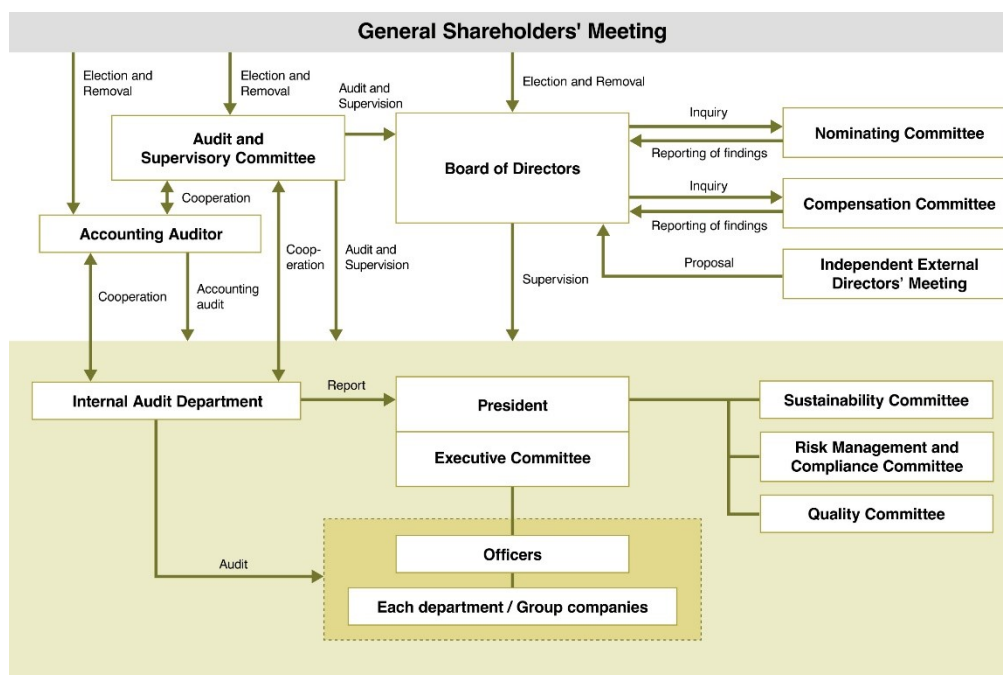
When exercising voting rights associated with cross-shareholdings, the Company makes decisions based on perspectives such as whether each proposal will improve the corporate value of the Company and the issuing company over the medium- to long term. In particular, if there is a high chance that the proposal will damage the issuing company's corporate value, or if the issuing company is facing a major corporate scandal, the Company makes a decision with extra caution to exercise its voting rights.

The changes are as follows.

As of March 31, 2025		As of March 31, 2026	
Number of issues of cross-shareholdings	Total balance sheet amount (million yen)	Number of issues of cross-shareholdings	Total balance sheet amount (million yen)
42	49,362	36	44,818

(Reference) Corporate Governance Organization

The Nikon Group will strive to achieve sustainable growth and enhancement of its corporate value over the medium- to long term, by improving management efficiency and transparency and further strengthening the supervisory function over management in light of the purpose of Japan’s Corporate Governance Code.



Roles of main meeting structures and composition after the 161st Annual General Shareholders’ Meeting (held on June 27, 2025)

- (1) Board of Directors, comprising eleven members (including six external directors), chaired by Shiro Hiruta (external director)

The Board of Directors supervises management by directors and assumes the decision-making functions regarding matters prescribed under laws and regulations, the Articles of Incorporation of the Company, as well as the important matters concerning the Nikon Group.

- (2) Audit and Supervisory Committee, comprising five members (including three external directors), chaired by Shigeru Murayama (external director)

The Audit and Supervisory Committee audits and supervises the status of management by directors who are not Audit and Supervisory Committee members, and officers as an independent body.

- (3) Nominating Committee, comprising five members (including three external directors), chaired by Shiro Hiruta (external director)

The Nominating Committee primarily formulates criteria for the election and removal of the chief executive officer, president and directors, nominates candidates, considers the composition of the Board of Directors, and oversees evaluation and assignment of officers so as to ensure that decisions on the election and removal of directors and officers are transparent and objective.

- (4) Compensation Committee, comprising five members (including three external directors), chaired by Takuya Nakata (external director)

The Compensation Committee deliberates and makes proposals for policy regarding executive compensation as well as various related systems so as to ensure objectivity, transparency, and linkage with performance in the process of determining executive compensation.

- (5) Independent External Directors’ Meeting, comprising six members (including six external directors), chaired by Shiro Hiruta (external director)

The Independent External Directors’ Meeting serves as an opportunity for the members to freely exchange opinions and have discussions from an independent and objective standpoint about issues and matters to be

deliberated by the Board of Directors. Based on the results of this meeting, the Independent External Directors' Meeting makes proposals to the Board of Directors and helps stimulate discussions at Board of Directors' meetings.

For more details on corporate governance organization:

<https://www.nikon.com/company/ir/governance/organization/>

(Attached documents)

Business Report

(From April 1, 2025 to March 31, 2026)

■ **Matters relating to the current state of the Group**

1. Results of operations

(1) Review of operations

With regard to market and customer trends during the fiscal year ended March 31, 2026, in the Imaging Products Business, both unit sales and sales amount remained solid in the digital camera market. In the Precision Equipment Business, capital investments in the field related to FPDs, including both mid-to-small size panels and large-size panels, remained firm. In the semiconductor-related field, although demand for AI-related semiconductors remained firm, demand for other devices remained sluggish. In the Healthcare Business, the life science solutions field faced sluggish market conditions in certain regions, particularly in the Americas, against the backdrop of their political and economic environments. Meanwhile, the eye care solutions field continued to see a recovery in market conditions, particularly in the Americas, and current performance has remained steady. In the Components Business, the Industrial Solutions Business was in a recovery trend in the semiconductors and electronic components markets. In the Customized Products Business, a slowdown in the EUV-related markets had a negative impact, resulting in weak performance. In the Digital Manufacturing Business, the defense and space fields continued to lead the market in the metal additive manufacturing field.

Under the medium-term management plan, which covers a period from fiscal 2022 to fiscal 2025, the Group made progress in its business and improved its management base. In the fiscal year ended March 31, 2026, in the Imaging Products Business, we released the digital cinema ZR, which combines technologies of the Company and its subsidiary RED Digital Cinema, Inc. In the Precision Equipment Business, we began accepting orders for the Digital Lithography System DSP-100, our first product designated for back-end semiconductor manufacturing processes. Although our growth drivers developed steadily, the financial results fell significantly short of the initial expectations, primarily due to the recording of impairment losses on non-financial assets in the Digital Manufacturing Business.

Under these circumstances, during the fiscal year ended March 31, 2026, revenue decreased 38,122 million yen (5.3%) year on year to 677,163 million yen. Operating loss was 112,448 million yen (compared with operating profit of 2,422 million yen in the previous fiscal year), and loss attributable to owners of parent was 86,088 million yen (compared with profit attributable to owners of parent of 6,123 million yen in the previous fiscal year).

Performance by segment is as follows.

Imaging Products Business

Business description: Digital camera-interchangeable lens type, interchangeable lenses, digital cinema camera

In the Imaging Products Business, sales were led by NIKON's first digital cinema camera, the ZR. However, the business segment recorded year-on-year decreases in both revenue and profit, reflecting a decline in average selling prices due to changes in the product mix and higher promotion expenses amid an intensifying competitive environment, as well as tariff impacts and one-time costs related to the share transfer agreement for Mark Roberts Motion Control Limited, among other factors. As a result, this business segment recorded revenue of 290,053 million yen (down 1.8% year on year) and operating profit of 16,715 million yen (down 59.5% year on year).

Precision Equipment Business

Business description: FPD lithography system, semiconductor lithography system, digital lithography system, alignment station

In the Precision Equipment Business, unit sales of systems in the FPD lithography systems field and unit sales of ArF dry and immersion lithography systems in the semiconductor lithography system field decreased. As a result, this business segment as a whole recorded year-on-year decreases in both revenue and profit. Consequently, this business segment recorded revenue of 167,258 million yen (down 17.2% year on year) and operating loss of 4,565 million yen (compared with operating profit of 1,544 million yen in the previous fiscal year).

Healthcare Business

Business description: Biological microscope, retinal diagnostic imaging system, contract cell development and manufacturing

In the Healthcare Business, the eye care solutions field remained firm, mainly in Europe and the United States, resulting in an increase in revenue, and the contract cell development and manufacturing field continued to perform strongly from the previous fiscal year. However, the life science solutions field was adversely affected by sluggish market conditions in the United States and tariff impacts. In addition, profit in the eye care solutions field was also pressured by tariff impacts and increased recording of provisions for certain transactions. As a result, this business segment as a whole recorded year-on-year decreases in both revenue and profit. Consequently, this business segment recorded revenue of 111,922 million yen (down 3.9% year on year) and operating profit of 1,561 million yen (down 76.8% year on year).

Components Business

Business description: EUV related components, Optical parts, Optical components, encoders, measuring and inspection systems, photomask substrates for FPD

In the Components Business, the Industrial Solutions Business recorded robust sales of Video Measuring Systems for electronic components and semiconductors, among other products. Partly reflecting the effects of structural reforms related to the Industrial Metrology Business and improved profitability resulting from changes in the product mix, the Industrial Solutions Business recorded year-on-year increases in both revenue and profit. The Customized Products Business recorded year-on-year decreases in both revenue and profit as sales of EUV-related components were adversely affected by a slowdown in the EUV-related markets. As a result, this business segment recorded revenue of 76,176 million yen (up 2.8% year on year) and operating profit of 9,553 million yen (up 33.0% year on year).

Digital Manufacturing Business

Business description: Metal 3D printer, optical processing machine, 3D scanner, contract material processing

In the Digital Manufacturing Business, the Group recorded a year-on-year increase in revenue due to an increase in unit sales of large-size equipment and the positive effects of foreign exchange movements. However, the Group recorded impairment losses on non-financial assets, among other factors, resulting in a wider operating loss. As a result, this business segment recorded revenue of 28,090 million yen (up 20.3% year on year) and operating loss of 106,282 million yen (compared with operating loss of 15,225 million yen in the previous fiscal year).

Note: Operating profit (loss) by business segment includes profit/loss from intra-group transactions.

(2) Capital investments

Capital investments for the current fiscal year totaled 59,803 million yen. The amounts of investment by business were 10,914 million yen in the Imaging Products Business, 9,723 million yen in the Precision Equipment Business, 9,158 million yen in the Healthcare Business, 4,682 million yen in the Components Business, 4,846 million yen in the Digital Manufacturing Business, 6,141 million yen in Others, and 14,341 million yen in corporate assets not attributed to any segment.

Major capital investment projects include, in addition to IT/DX investments to strengthen the management base, an investment in manufacturing equipment related to mirrorless cameras in the Imaging Products Business, an investment in manufacturing equipment to manufacture new products and the maintenance and renewal of other various pieces of equipment in the Precision Equipment Business, and an expansion of trade fixture and manufacturing equipment in the Healthcare Business.

(3) Fund procurement

The balance of interest-bearing liabilities at the end of the current fiscal year was 239,808 million yen, an increase of 26,159 million yen from the end of the previous fiscal year. The Company did not procure funds through issuance of new shares or bonds during the current fiscal year.

2. Issues to be addressed

(1) Review of the medium-term management plan (FY2022–2025)

In the medium-term management plan (FY2022–2025), we achieved our revenue target of 700.0 billion yen over multiple years, and steadily progressed in improving our management base. However, limited resources were spread across many new initiatives, delaying core business improvements and resulting in lower profitability and significant shortfalls in the operating margin and ROE targets.

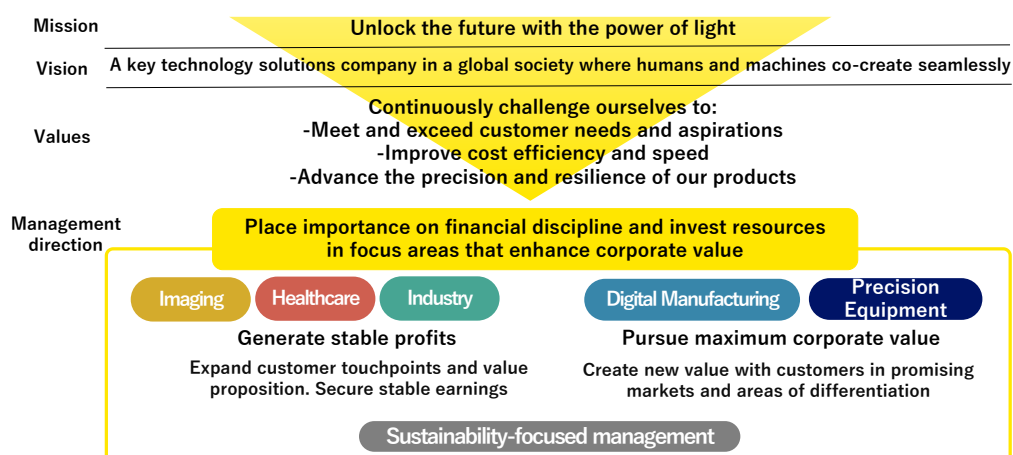
Numerical targets (FY2025)	Revenue: ¥700.0B, Operating margin: 10%+, ROE: 8%+ → Significant shortfall in profitability
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Challenges for each business

Imaging Products	Burden of cinema related upfront investment	Digital Manufacturing	Loss-making business structure
Healthcare	Deterioration of the selling, general and administrative expense ratio	Precision Equipment	Revenue reliance on a specific customer
Components	Limited inter-business collaboration		

(2) Overview of the medium-term management plan (FY2026–2030)

We will shift from a phase of cultivating new businesses in all directions to a phase of narrowing priorities and expanding selected businesses, with a stronger focus on profitability and cash flow.



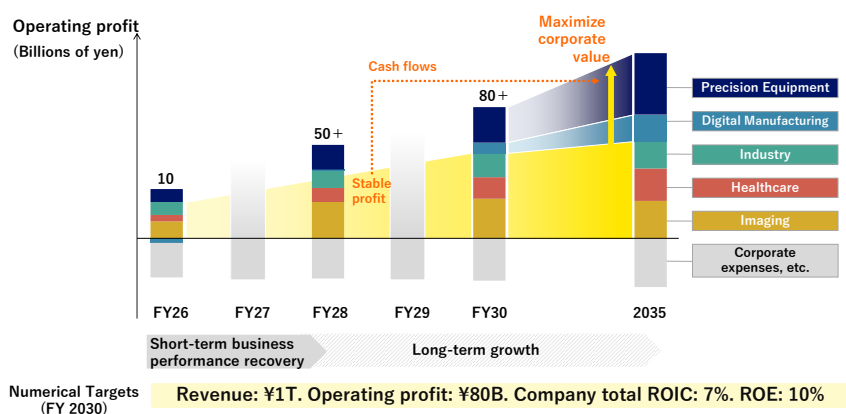
(Note) The Group has changed the name of the reportable segment “Components Business” to “Industry Business” from FY2026.

(3) Direction of each business

Stable profit generation	Imaging Products	Expand the possibilities of visual expression and acquire overwhelming support from all generations of fans around the world
	Healthcare	Support enhanced quality of life through innovation
	Components	Support customer innovation and grow with the customer
Aim to maximize corporate value	Digital Manufacturing	Bring innovation to the world of manufacturing through applied optics
	Precision Equipment	Support a digital society by providing customers with solutions that open paths into the future

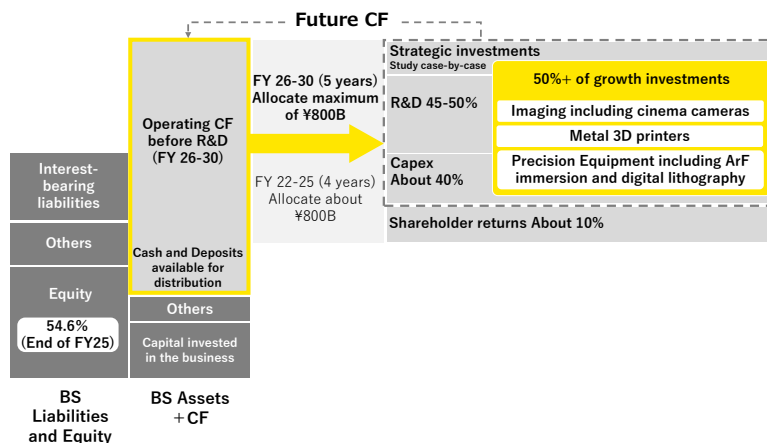
(4) Revenue plan

We will invest the cash generated from the Imaging Products, Healthcare, and Industry Businesses into the Digital Manufacturing and Precision Equipment Businesses and aim for full-fledged growth in 2030 and beyond.



(5) Capital allocation

With a focus on capital efficiency and financial soundness, we will allocate 90% to growth investments, with over 50% of that allocated to three businesses that represent our focus areas: Imaging Products including cinema cameras, large size metal 3D printers, and Precision Equipment including ArF immersion and digital lithography. We will also consider the balance between business investment and shareholder returns for sustainable growth and total shareholder return ratio of 40% or more.



3. Major subsidiaries (as of March 31, 2026)

Company name	Percentage of equity participation (%)	Main business
Tochigi Nikon Corporation	100.0	Manufacture of optical units, interchangeable lenses, objective lenses, optical components, machine components
Tochigi Nikon Precision Co., Ltd.	100.0	Manufacture of devices for semiconductor/FPD lithography systems and projection exposure systems
Nikon Europe B.V.	100.0	Centralized supply, administration and management of funds of affiliates in Europe. Import, sales and servicing of cameras and microscopes
Nikon Singapore Pte. Ltd.	100.0	Import, sales and servicing of cameras, microscopes and measuring instruments, sales of used equipment and maintenance service for semiconductor systems
Nikon Imaging Japan Inc.	100.0	Sales and servicing of cameras
Nikon (Thailand) Co., Ltd.	100.0	Manufacture of digital cameras, interchangeable lenses, and digital camera components
Nikon Inc.	*100.0	Import, sales and servicing of cameras
Nikon Imaging (China) Sales Co., Ltd.	*100.0	Import, sales and servicing of cameras
Nikon Precision Inc.	*100.0	Import, sales, maintenance and servicing of semiconductor systems, sales of used equipment
Optos Plc	100.0	Manufacture, sales and servicing of ultra-wide field retinal imaging devices
Nikon Metrology, LLC	*100.0	Sales, servicing of microscopes, metrology and X-ray CT, and development and manufacturing of 3D metrology
Nikon Metrology Europe NV	*100.0	Sales, servicing of microscopes, metrology and X-ray CT, and development of 3D metrology
Nikon SLM Solutions AG	100.0	Provision of integrated metal additive manufacturing solutions
Nikon Advanced Manufacturing Inc.	*100.0	Global headquarters of Advanced Manufacturing Business Unit responsible for scaling and managing the additive manufacturing business

Notes:

- * indicates the ownership ratio including indirect ownership.
- On April 1, 2026, Tochigi Nikon Corporation and Tochigi Nikon Precision Co., Ltd. carried out an absorption-type merger in which Tochigi Nikon Corporation was the surviving company and Tochigi Nikon Precision Co., Ltd. was the absorbed company.
- On August 7, 2025, the Company resolved to dissolve Nikon Metrology NV, and the liquidation was completed in December 2025. Nikon Metrology, LLC and Nikon Metrology Europe NV become important subsidiaries as a result of the reorganization including the dissolution of Nikon Metrology NV.

4. Major reorganization activities

- (1) Business transfers and absorption-type or incorporation-type company split
None
- (2) Businesses acquired from other companies
None
- (3) Succession of rights and obligations associated with operations of other companies, etc. due to absorption-type merger or absorption-type company split
None
- (4) Acquisition or disposal of stock or other ownership or share acquisition rights, etc. of other company
None

5. Other items concerning the status of the Group

None

■ **Current state of the Company**

1. Matters relating to Directors

(1) Directors (as of March 31, 2026)

	Position	Name	Business in charge and important concurrent positions outside the Company
*	Director (Chairman)	Toshikazu Umatate	CEO
*	Director (President)	Muneaki Tokunari	COO
	Director (Senior Executive Vice President)	Yasuhiro Ohmura	CTO, General Manager of Healthcare Business Unit, and Officer in charge of Production Technology
	Director (Chairman of the Board)	Shiro Hiruta	–
	Director	Tsuneyoshi Tatsuoka	Outside Director, Audit & Supervisory Committee Member of Mitsubishi Corporation
**	Director	Takuya Nakata	Chairman of the Board of Directors of Yamaha Corporation External Director of Shiseido Company, Limited
	Director (Full-time Audit and Supervisory Committee Member)	Satoshi Hagiwara	–
	Director (Full-time Audit and Supervisory Committee Member)	Seiji Kikuchi	–
	Director (Chair of Audit and Supervisory Committee Member)	Shigeru Murayama	–
	Director (Audit and Supervisory Committee Member)	Asako Yamagami	External Director, Standing Audit and Supervisory Committee Member of Kagome Co., Ltd. Outside Director of NEC Capital Solutions Limited
	Director (Audit and Supervisory Committee Member)	Michiko Chiba	Outside Member of the Board of Directors (Audit and Supervisory Committee Member) of NTT DOCOMO, INC. Outside Corporate Auditor of Mitsui Fudosan Co., Ltd.

Notes:

- * indicates a Representative Director.
- ** indicates Director newly elected at the 161st Annual General Shareholders' Meeting held on June 27, 2025.
- Shiro Hiruta, Tsuneyoshi Tatsuoka, Takuya Nakata, Shigeru Murayama, Asako Yamagami, and Michiko Chiba are External Directors. The Company has submitted Independent Directors/Auditors Notifications to Tokyo Stock Exchange, Inc. designating each of them as an independent director as stipulated in the Tokyo Stock Exchange's Securities Listing Regulations.
- Satoshi Hagiwara and Seiji Kikuchi were selected as Directors who are Full-time Audit and Supervisory Committee Members. For the purpose of securing the effectiveness of the activities of the Audit and Supervisory Committee, both of them have attended important meetings such as the Executive Committee and various committees in an effort to accurately understand and audit the status of business execution. They also perform the audit and supervisory functions necessary to ensure that the Directors' performance of duties is in compliance with laws and regulations, as well as the Company's Articles of Incorporation, and that corporate operations are properly carried out, through monitoring and verification of the development and operational status of the internal control system, including internal controls over financial reporting.
- Satoshi Hagiwara and Seiji Kikuchi have long-term experiences in the finance & accounting section at the Company, and Michiko Chiba is a Certified Public Accountant. Accordingly, they have considerable knowledge of finance and accounting.

(2) Outline of contents of liability limitation agreement

The Company has signed agreements with all Non-Executive Directors that limit their liability for damages under Article 423, Paragraph 1 of the Companies Act pursuant to the provisions of Article 427, Paragraph 1 of the said act. The limit on the liability for damages in these agreements is the lowest amount prescribed in Article 425, Paragraph 1 of the Companies Act.

(3) Outline and content of the Directors and Officers Liability Insurance Contract

The Company has concluded a Directors and Officers Liability Insurance Contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This contract covers damages, etc. to be borne by the insured person as a result of claims for damages received in the course of business execution by the insured person as an officer of the Company. The insured persons of the Directors and Officers Liability Insurance Contract are Directors and Officers, etc. of the Company, and the insured persons bear approximately 10% of the insurance premium.

However, as a measure not to impair the appropriateness of the execution of duties by Directors and Officers, etc. of the Company, the Directors and Officers Liability Insurance Contract has a clause to set a certain deductible and does not cover damages that do not reach the deductible.

(4) Compensation, etc. for Directors and Officers, etc.

(i) Basic policies for decisions on compensation, etc. for individual Directors and Officers, etc.

a) Basic policies on Compensation

Executive compensation for the Company's Directors and Officers (including Executive Fellows and other positions equivalent to Officers; Officers, Executive Fellows, and other positions equivalent to Officers hereinafter called "Officers, etc.") is determined to satisfy the following basic criteria.

- Executive compensation should motivate Directors and Officers, etc. to sustainably improve corporate and shareholder value, as well as enhance their willingness and morale.
- Executive compensation should help keep, cultivate, and reward excellent personnel.
- The decision-making process for the compensation system should be objective and transparent.

b) Compensation system and performance-based structure

The compensation system for Officers, etc. (including Directors who also serve as Officers, etc.) comprises monetary compensation (fixed compensation and bonus) and stock compensation. The standard payment of bonus and stock compensation to be paid to individual Officers, etc. is calculated by multiplying the amount of their respective fixed compensation by a ratio, which is determined according to their respective title and duties. When the ratio of fixed compensation is assumed to be 1, the range of the ratio for the standard payment of each compensation is as shown below.

Stock compensation comprises performance share unit (PSU) compensation and restricted stock (RS) compensation using restricted stock in order to further incentivize Officers, etc. to achieve the targets set forth in the medium-term management plan, enhance corporate value over the medium- to long term, and further promote value sharing with shareholders. The compensation for Directors who do not serve as Officers, etc. comprises fixed compensation only.

Type		Detail	Ratio
Monetary compensation	Fixed compensation	Not based on performance. The amount divided by 12 is paid every month.	1.0
	Bonus	Determined based on the single-year consolidated performance (ROE and operating profit), level of achievement of goals and qualitative evaluation of the departments they are in charge of, etc., within the range of 0% to 200% of the standard payment. As a general rule, paid in June every year.	0.60–0.70
Stock compensation	PSU	Determined based on the consolidated ROE of the final fiscal year of the medium-term management plan, consolidated performance (revenue and operating margin) of each fiscal year, and level of achievement of goals for strategic issues, within the range of 0% to 150% of the standard payment divided by the market value of the Company's stock at a specific time. Paid by delivering restricted shares or the amount of cash equivalent to the market value of the restricted stock. As a general rule, delivered in the first June after the end of each fiscal year.	0.1–0.225
	RS	Paid by delivering the number of shares of restricted stock calculated by dividing the standard payment by the market value of the Company's stock at the time of the resolution by the Board of Directors, or the amount of cash equivalent to the market value. As a general rule, delivered in June every year.	0.3–0.45

Notes:

1. Stock compensation will be delivered to the extent that the share dilution ratio for each year does not exceed 1%. Disposal is prohibited in principle until their retirement from any of the positions as Director or Officers, etc.
2. In the case of retirement due to justifiable reasons before the delivery of PSU and RS or being non-resident of Japan on the date of delivery, cash equivalent to the market value of the restricted stock will be provided instead.

c) Decisions on compensation amount and calculation method based on deliberations by the Compensation Committee

Compensation for Directors who are not Audit and Supervisory Committee Members, Officers, etc. is deliberated on by the Compensation Committee by comprehensively taking into account the titles, duties, responsibilities, and other situations, and based on the results of such deliberations, determined by the Board of Directors. Compensation for Directors who are Audit and Supervisory Committee Members is determined by consultation among Directors who are Audit and Supervisory Committee Members.

The majority and chair of the Compensation Committee are Independent External Directors, and the Compensation Committee takes into account the compensation levels of major Japanese companies that globally develop their businesses, so as to determine the compensation amount consistent with the Company's performance and business scale.

d) Claim for return, etc.

If a Director (excluding Director who is Audit and Supervisory Committee Member and foreign national) or an Officer, etc. of the Company is found to have committed serious violation of laws and regulations and other illegal acts or if other cases occur, the Company shall be able to claim revocation or return of all or part of bonus, PSU, and RS paid or delivered or take other measures.

(ii) Method for determining basic policies for compensation, etc. of individual Directors and Officers, etc. and reason why the Board of Directors judged that the content of compensation, etc. for individual Directors for the current fiscal year were pursuant to the policies

Basic policies for decision on compensation, etc. for individual Directors and Officers, etc. were considered at the Compensation Committee, reported to the Board of Directors, and determined after deliberation and examination at the meeting of the Board of Directors held on May 20, 2022. The policies were revised as of April 1, 2025, after deliberation and examination at the meeting of the Board of Directors held on March 28, 2025. For the current fiscal year, the Compensation Committee examined the consistency in compensation for individual Directors who are not Audit and Supervisory Committee Members and the pre-revised basic policies, and reported to the Board of Directors that it was pursuant to the policies. The Board of Directors also judged that it was in conformity with the policies.

(iii) Matters relating to performance share unit compensation, etc.

The benchmarks, base values, and performance results relating to consolidated performance used in the calculation of bonus for the fiscal year ended March 31, 2026, are as indicated below. Consolidated ROE is used for measuring capital efficiency, and consolidated operating profit is used for measuring profitability.

Performance benchmark, etc.	Lower limit	Base	Upper limit	Performance results	Degree of achievement
Applicable coefficient (%)	50	100	200	(14.1)	0%
Consolidated ROE (%)	3.7	4.7	6.7	(112.4)	0%
Consolidated operating profit (loss) (¥ billion)	28.0	36.0	54.0		

Notes:

1. If performance result is lower than the lower limit, the applicable coefficient is 0%. If higher than the upper limit, the applicable coefficient is 200%.
2. The weight varies between 10 and 50% depending on the title.

The benchmarks, base values, and performance results used in the calculation of PSU for the fiscal year ended March 31, 2026, are as indicated below. Among consolidated performance results, consolidated revenue and consolidated operating margin are used for measuring the degree of achievement of financial targets set forth in the medium-term management plan, and operating profits from the growth drivers, and services and components are used for measuring the degree of achievement of strategic targets set forth in the medium-term management plan.

Performance benchmark, etc.	Lower limit	Base	Upper limit	Performance results	Degree of achievement
Applicable coefficient (%)	50	100	150	677.1	77% → 39%
Consolidated revenue (¥ billion)	650.0	700.0	770.0	(16.6)	0%
Consolidated operating margin (%)	9.0	10.0	12.0	(14.1)	0%
Consolidated ROE (%)	7.0	8.0	10.0	(102.9)	0%
Operating profit (loss) from growth drivers (¥ billion)	27.0	31.0	37.0		

Operating profit from services and components (¥ billion)	41.0	46.0	56.0	18.4	0%
Initiatives to strengthen the management base	Evaluation of sustainability strategies, human capital management, and other initiatives			–	100%

Notes:

1. The above evaluation benchmarks are used for each fiscal year. Consolidated ROE is also evaluated for the final fiscal year of the medium-term management plan.
2. In the final fiscal year of the medium-term management plan, if even one of the lower limits of financial KPIs (consolidated revenue, consolidated operating margin, consolidated ROE) is not met, the achievement level of the other financial KPI items will be halved.
3. If performance results are lower than the lower limit, the applicable coefficient is 0%. If higher than the upper limit, the applicable coefficient is 150%.
4. The weight is 25% each for consolidated revenue and consolidated operating margin, 20% for consolidated ROE, and 10% each for operating profit from growth drivers, operating profit from services and components, and initiatives to strengthen the management base.

(iv) Matters related to non-monetary compensation, etc.

The Company provides non-monetary compensation, etc., in the form of PSU and RS that are subject to restrictions on transfer and grounds for acquisition by the Company without contribution, etc. The details of PSU and RS are as indicated in “(i) Basic policies for decisions on compensation, etc. for individual Directors and Officers, etc. b) Compensation system and performance-based structure.” The state of issuance is as described in “Others Matters Subject to the Electronic Provision Measures (Matters for which Document Delivery is Omitted) for the 162nd Annual General Shareholders’ Meeting, Matters relating to shares, (v) Shares granted to the Company’s Directors as compensation for duties performed during the current fiscal year.”

(v) Matters related to compensation, etc. of Directors

Category	Number of persons	Total amount by type of compensation (million yen)				Total (million yen)
		Fixed compensation	Bonus	PSU	RS	
Directors who are not Audit and Supervisory Committee Members	7	272	14	2	78	365
Of which External Directors	4	72	–	–	–	72
Directors who are Audit and Supervisory Committee Members	5	112	–	–	–	112
Of which External Directors	3	49	–	–	–	49

Notes:

1. Payment of the above amounts of bonus and PSU to Directors who are not Audit and Supervisory Committee Members has been resolved at the meeting of the Board of Directors held on May 18, 2026, after deliberation at the Compensation Committee.
2. Directors who are not Audit and Supervisory Committee Members include one Director (including one External Director) who retired as Director who was not Audit and Supervisory Committee Member upon expiration of his term of office at the conclusion of the 161st Annual General Shareholders’ Meeting held on June 27, 2025.
3. The Audit and Supervisory Committee has reported that there are no matters to point out regarding compensation, etc. for Directors who are not Audit and Supervisory Committee Members.

(vi) Resolution of the General Shareholders' Meeting regarding compensation, etc. for Officers

Compensation for Directors of the Company is calculated within the limit of compensation resolved at the General Shareholders' Meeting.

Date of resolution	Details of resolution	Number of persons* ¹
June 29, 2016	[Monetary compensation] Compensation for Directors who are Audit and Supervisory Committee Members are maximum ¥150 million per year.	Five Directors who are Audit and Supervisory Committee Members
June 29, 2022	[Stock compensation (PSU)] PSU granted to Directors who are not Audit and Supervisory Committee Members* ² is maximum 110,000 shares* ³ per evaluated fiscal year.	Three Directors
	[Stock compensation (RS)] As for RS granted to Directors who are not Audit and Supervisory Committee Members,* ² the total amount of monetary claims granted as contributed assets for the acquisition of restricted stock is maximum ¥100 million yen per fiscal year, and the number of shares granted is maximum 150,000 shares per fiscal year.	
June 24, 2024	[Monetary compensation] Compensation for Directors who are not Audit and Supervisory Committee Members are maximum ¥700 million per year* ⁴ (including maximum ¥100 million for External Directors).	Six Directors (including three External Directors)

Notes:

- *1 indicates the number of eligible persons at the time of resolution.
- *2 excludes External Directors, other Non-Executive Directors and non-residents of Japan.
- Regarding *3, the maximum total amount of monetary compensation claims and money to be granted as contributed assets for the acquisition of restricted stock shall be determined by multiplying the limit of 110,000 shares by the closing share price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the Board of Directors' resolution with respect to the issue of the restricted stock or the disposal of the treasury shares.
- *4 excludes compensation as employees for Directors concurrently serving as employees.

The amounts stated are rounded to the nearest million yen, and amounts less than hundred million yen are rounded off.

Topics for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

September 2025

Nikon announced the release of the ZR, a full-frame sensor camera from the "Z CINEMA" series born from synergy with RED



September 2025

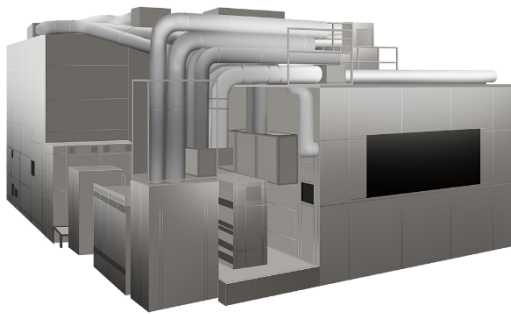
Nikon announced the start of accepting orders for the NSR-333F ArF scanner.



October 2025

Nikon announced the start of accepting orders for the FX-88SL and FX-88SLD, the first FPD lithography systems equipped with a UV-LED light source*

* Among FPD lithography systems released as of October 23, 2025, according to Nikon's survey.



March 2026

Nikon CeLL Innovation to provide end-to-end solutions from process development to GCTP/GMP manufacturing and analytical characterization of human mesenchymal stem cells and extracellular vesicles in Japan

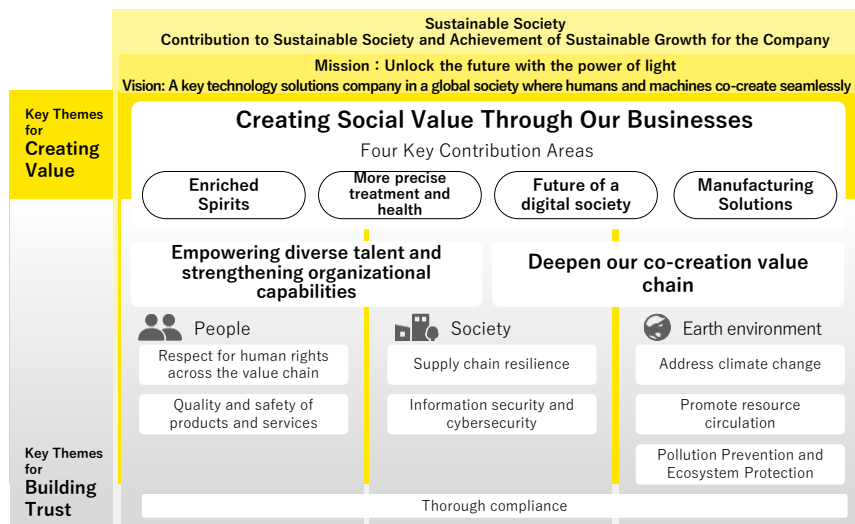
A subsidiary of the Company has completed technology transfer from RoosterBio, Inc., a US company, at commercial manufacturing scale.



(Reference) Sustainability Initiatives

The Nikon Group aims to create new value through its products and services, contribute to the realization of a better sustainable world where humans and machines co-create, and achieve sustainable growth.

The medium-term management plan (FY2026-2030) emphasizes management with a focus on sustainability. We have also selected "Key Themes" to focus on, and under the "Key Themes for Creating Value," we will promote initiatives linked to our business. Furthermore, under the "Key Themes for Building Trust," we will address challenges related to people, society, and the global environment, fulfill our responsibilities as a member of a sustainable society, and support value creation.



Nikon Sustainability Report introduces our initiatives for a sustainable society.



As a business enterprise that adopts a proactive stance towards sustainability activities, the Nikon Group has received positive evaluations from a variety of external organizations.

CDP Climate Change A List



Sustainability Yearbook 2026 "Top10% S&P Global CSA Score"



For more details on sustainability:

<https://www.nikon.com/company/sustainability/>

Consolidated Financial Statements
Consolidated Statement of Financial Position
(As of March 31, 2026)

(Million yen)

Item	Amount	Item	Amount
ASSETS		LIABILITIES	
Current assets		Current liabilities	
Cash and cash equivalents	158,036	Trade and other payables	73,367
Trade and other receivables	127,459	Bonds and borrowings	97,717
Inventories	332,872	Income taxes payables	5,151
Other current financial assets	2,316	Advances received	67,372
Other current assets	25,816	Provisions	9,548
Total current assets	646,499	Other current financial liabilities	30,042
		Other current liabilities	45,101
Non-current assets		Total current liabilities	328,298
Property, plant and equipment	150,758		
Right-of-use assets	17,600	Non-current liabilities	
Goodwill and intangible assets	95,614	Bonds and borrowings	122,240
Retirement benefit asset	3,309	Retirement benefit liability	8,582
Investments accounted for using equity method	12,417	Provisions	5,298
Other non-current financial assets	73,974	Deferred tax liabilities	3,257
Deferred tax assets	73,918	Other non-current financial liabilities	13,323
Other non-current assets	918	Other non-current liabilities	5,813
Total non-current assets	428,508	Total non-current liabilities	158,513
		Total liabilities	486,811
		EQUITY	
		Share capital	65,476
		Treasury shares	(6,813)
		Other components of equity	108,953
		Retained earnings	419,169
		Equity attributable to owners of parent	586,785
		Non-controlling interests	1,411
		Total equity	588,196
Total assets	1,075,007	Total liabilities and equity	1,075,007

Consolidated Statement of Profit or Loss

(From April 1, 2025 to March 31, 2026)

(Million yen)

Item	Amount
Revenue	677,163
Cost of sales	399,903
Gross profit	277,261
Selling, general and administrative expenses	289,248
Other operating income	10,710
Other operating expenses	111,170
Operating loss	112,448
Finance income	9,204
Finance costs	7,518
Share of profit of investments accounted for using equity method	4,251
Loss before tax	106,511
Income tax expense	(20,476)
Loss for year	86,035
Attributable to:	
Loss attributable to owners of parent	86,088
Profit attributable to Non-controlling interests	53
Loss for year	86,035

Non-Consolidated Financial Statements
Non-Consolidated Balance Sheet

(As of March 31, 2026)

(Million yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	287,854	Current liabilities	267,855
Cash and deposits	23,877	Electronically recorded obligations - operating	6,592
Notes receivable - trade	1,098	Accounts payable- trade	44,310
Accounts receivable- trade	40,884	Short-term loans payable	79,950
Finished goods	49,687	Current portion of long-term loans payable	15,885
Semi-finished goods	3,549	Lease obligations	362
Raw materials	415	Accounts payable - facilities	7,112
Work in process	109,921	Accrued expenses	22,885
Supplies	15,125	Income taxes payable	1,039
Short-term loans receivable from subsidiaries and associates	23,195	Advances received	45,011
Income taxes refund receivable	2,093	Deposits received	41,162
Accounts receivable - other	13,312	Provision for product warranties	1,195
Other	4,751	Provision for quality assurance	1,581
Allowance for doubtful accounts	(52)	Other	771
Non-current assets	364,952	Non-current liabilities	125,729
Property, plant and equipment	83,178	Bonds payable	10,000
Buildings	44,466	Long-term loans payable	112,738
Structures	1,139	Lease obligations	611
Machinery and equipment	15,197	Asset retirement obligations	1,842
Vehicles	50	Other	537
Tools, furniture and fixtures	9,250	Total liabilities	393,584
Land	8,279		
Leased assets	769	(Net Assets)	
Construction in progress	4,028	Shareholders' equity	225,848
Intangible assets	28,824	Share capital	65,476
Software	21,303	Capital surplus	80,712
Technology-based intangible assets	6,259	Legal capital surplus	80,712
Other	1,262	Retained earnings	86,474
Investments and other assets	252,950	Legal retained earnings	5,565
Investment securities	64,742	Other retained earnings	80,909
Shares of subsidiaries and associates	107,396	Reserve for research and development	2,056
Investments in capital of subsidiaries and associates	18,086	Reserve for tax purpose reduction entry of replacement assets	3,314
Long-term loans receivable from subsidiaries and associates	8,932	Reserve for tax purpose reduction entry	1,822
Prepaid pension cost	12,768	Reserve for promoting open innovation	321
Deferred tax assets	39,839	General reserve	111,211
Other	1,197	Retained earnings brought forward	(37,815)
Allowance for doubtful accounts	(9)	Treasury shares	(6,813)
		Valuation and translation adjustments	32,186
		Valuation difference on available-for-sale securities	32,104
		Deferred gains or losses on hedges	82
		Share acquisition rights	1,187
		Total net assets	259,222
Total assets	652,805	Total liabilities and net assets	652,805

Non-Consolidated Statement of Income
(From April 1, 2025 to March 31, 2026)

(Million yen)

Item	Amount	
Net sales		387,870
Cost of sales		286,365
Gross profit		101,506
Selling, general and administrative expenses		132,864
Operating loss		31,358
Non-operating income		
Interest and dividend income	13,950	
Other	4,746	18,696
Non-operating expenses		
Interest expenses	2,065	
Other	3,308	5,373
Ordinary loss		18,035
Extraordinary income		
Gain on sale of non-current assets	4,970	
Gain on sale of investment securities	14,719	
Gain on sale of businesses	2,978	
Gain on return of retirement benefit trust	10,625	
Other	21	33,313
Extraordinary losses		
Loss on sale of non-current assets	297	
Impairment loss on non-current assets	9,332	
Loss on sale of investment securities	522	
Loss on valuation of investment securities	3,453	
Loss on valuation of shares of subsidiaries and associates	84,646	
Loss on liquidation of subsidiaries and associates	4,654	
Loss on sale of subsidiaries and associates	48	
Business restructuring expenses	1,969	
Provision for quality assurance	1,581	106,501
Loss before income taxes		91,223
Income taxes - current	(2,631)	
Income taxes - deferred	(5,651)	(8,282)
Net loss		82,941

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 15, 2026

To the Board of Directors of
NIKON CORPORATION:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Motoyuki Suzuki

Designated Engagement Partner,
Certified Public Accountant:

Kazuya Shinjo

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of NIKON CORPORATION and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2026, and the consolidated statement of profit or loss and consolidated statement of changes in equity for the fiscal year from April 1, 2025 to March 31, 2026, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under Designated IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

(TRANSLATION)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under Designated IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under Designated IFRS Accounting Standards.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(TRANSLATION)

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under Designated IFRS Accounting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 15, 2026

To the Board of Directors of
NIKON CORPORATION:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant:

Motoyuki Suzuki

Designated Engagement Partner,
Certified Public Accountant:

Kazuya Shinjo

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the non-consolidated financial statements of NIKON CORPORATION (the "Company"), namely, the non-consolidated balance sheet as of March 31, 2026, and the non-consolidated statement of income and non-consolidated statement of changes in equity for the 162nd fiscal year from April 1, 2025 to March 31, 2026, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

(TRANSLATION)

In connection with our audit of the non-consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(TRANSLATION)

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

Audit Report

The Audit and Supervisory Committee has audited the performance of the Directors' duties for the 162nd term (April 1, 2025 to March 31, 2026). This Report was prepared from the unanimous opinions of all the Audit and Supervisory Committee Members, and the methods and results are as follows.

1. Method and Contents of Audit

- (1) The Audit and Supervisory Committee has received reports on a regular basis from the Directors and employees, etc. with respect to the content of the resolutions at the Board of Directors' meeting relating to the matters set out in Article 399-13, Paragraph 1, items (1) (b) and (c) of the Companies Act and the systems (internal control systems) established based on such resolutions, the status of their development and operation, requested explanations as necessary, and has expressed its opinions. Regarding internal controls over financial reporting under the Financial Instruments and Exchange Act, reports have been received from the Directors and Deloitte Touche Tohmatsu LLC with respect to the state of assessments and audits of those internal controls, and explanations were requested as necessary.
- (2) The Audit and Supervisory Committee has conducted audit activities with a focus on whether the Group's internal control system is appropriately maintained and operated. In conformity with the Audit and Supervisory Committee auditing standards established by the Audit and Supervisory Committee, and in accordance with audit policies, audit plans and assignment of duties, etc., in cooperation with the Internal Audit Department and other related departments, the Audit and Supervisory Committee has confirmed the decision-making process and content at important meetings, received reports on the status of performance of duties from the Directors and other employees, etc., and requested explanations as necessary, while endeavoring to collect information and develop an audit environment. The Audit and Supervisory Committee has also examined important documents, etc. and inspected the status of the corporate affairs and assets at the head office and other principal business locations. With respect to the subsidiaries, the Audit and Supervisory Committee conducted an audit of subsidiaries selected based on audit plans, endeavored to facilitate a mutual understanding and exchange of information with the Directors and Corporate Auditors, etc. of each subsidiary and received from subsidiaries reports on their respective business as necessary.
- (3) The Audit and Supervisory Committee monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. The Audit and Supervisory Committee was notified by the Accounting Auditor that it had established a "system to ensure that the performance of the duties of the Accounting Auditor was properly conducted" (the matters set forth in the items of Article 131 of the Rules of Corporate Accounting) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council) and requested explanations as necessary.

Based on the above-described methods, the Audit and Supervisory Committee examined the Business Report and its accompanying supplemental schedules, the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to consolidated financial statements, which were prepared omitting certain disclosure items required by the International Financial Reporting Standards as allowed by the provision set forth in the latter part of Article 120, Paragraph 1 of the Rules of Corporate Accounting) as well as the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets and notes to financial statements) and their accompanying supplemental schedules for the fiscal year.

2. Results of Audit

- (1) Results of Audit of Business Report, etc.
 - (i) We acknowledge that the Business Report and the accompanying supplemental schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
 - (ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company is found with respect to the Directors' performance of their duties.

(iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We do not find any matter to be mentioned with respect to the description of the Business Report and the Directors' performance of their duties concerning the internal control systems.

(2) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of the audit performed by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Non-Consolidated Financial Statements and the Accompanying Supplemental Schedules

We acknowledge that the methods and results of the audit performed by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 18, 2026

Audit and Supervisory Committee of NIKON CORPORATION

Audit and Supervisory Committee Member	Shigeru Murayama	(seal)
Audit and Supervisory Committee Member	Asako Yamagami	(seal)
Audit and Supervisory Committee Member	Michiko Chiba	(seal)
Full-time Audit and Supervisory Committee Member	Satoshi Hagiwara	(seal)
Full-time Audit and Supervisory Committee Member	Seiji Kikuchi	(seal)