

Canon Inc.

2023 Corporate Strategy Conference

Industrial Group

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Head of Industrial Group

Canon

This presentation contains forward-looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed by available information. All statements other than statements of historical fact are statements that could be considered forward-looking statements. When used in this document, words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project" or "should" and similar expressions, as they relate to Canon, are intended to identify forward-looking statements. Many factors could cause the actual results, performance or achievements of Canon to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products by other companies, lack of acceptance of new products or services by Canon's targeted customers, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors, both referenced and not referenced in this presentation. A detailed description of these and other risk factors is included in Canon's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. Canon does not intend or assume any obligation to update these forward-looking statements.

Industrial Group Businesses

Developing wide array of manufacturing solutions for cutting-edge electronics industry

Canon Inc. Optical Products Operations



Semiconductor lithography equip.

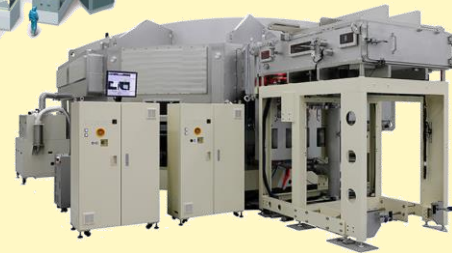


FPD lithography equip.



Components/Measuring Devices

Canon Tokki



OLED panel manufacturing equip.

Canon Anelva



Sputtering equip.



Dry etching equip.



Atomic diffusion bonding equip.



Microfocus X-ray source

Canon Machinery



Die bonders



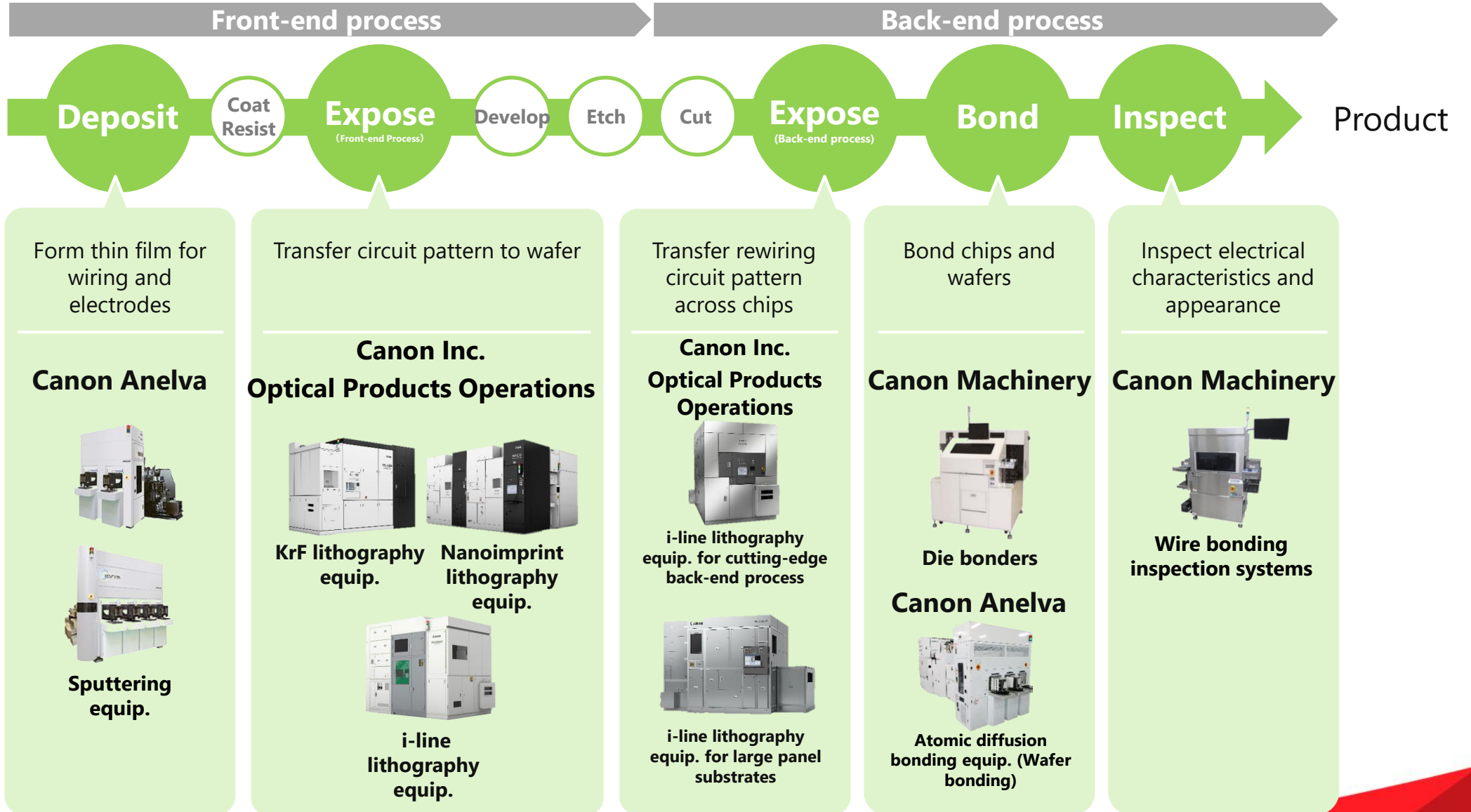
Wire bonding inspection systems



Substrate coining equip.

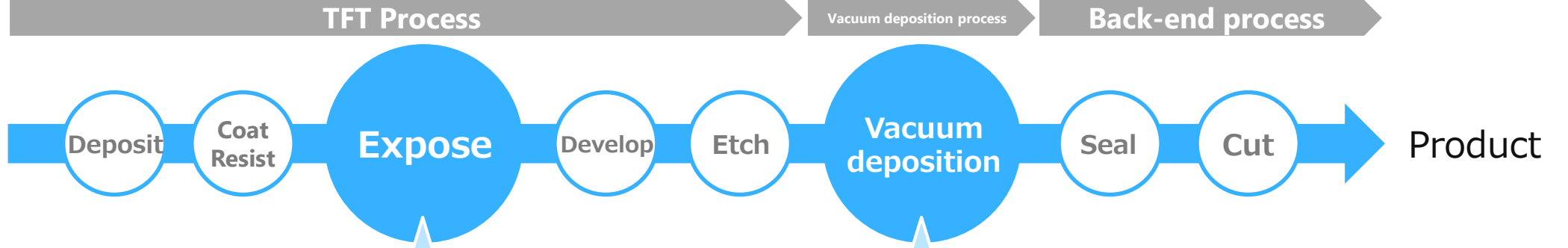
Semiconductor Manufacturing Equipment of the Industrial Group

Semiconductor device Manufacturing Process (Abstract)



Display Manufacturing Equipment Offered by Industrial Group

Display manufacturing process (Abstract)



Circuit pattern on original plate projected on glass substrate

Organic material heated in vacuum and deposited to form thin film on glass substrate

Optical Products Operations

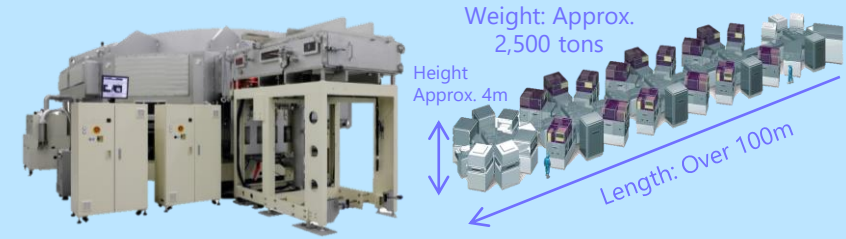


FPD lithography equip. for G6 substrates



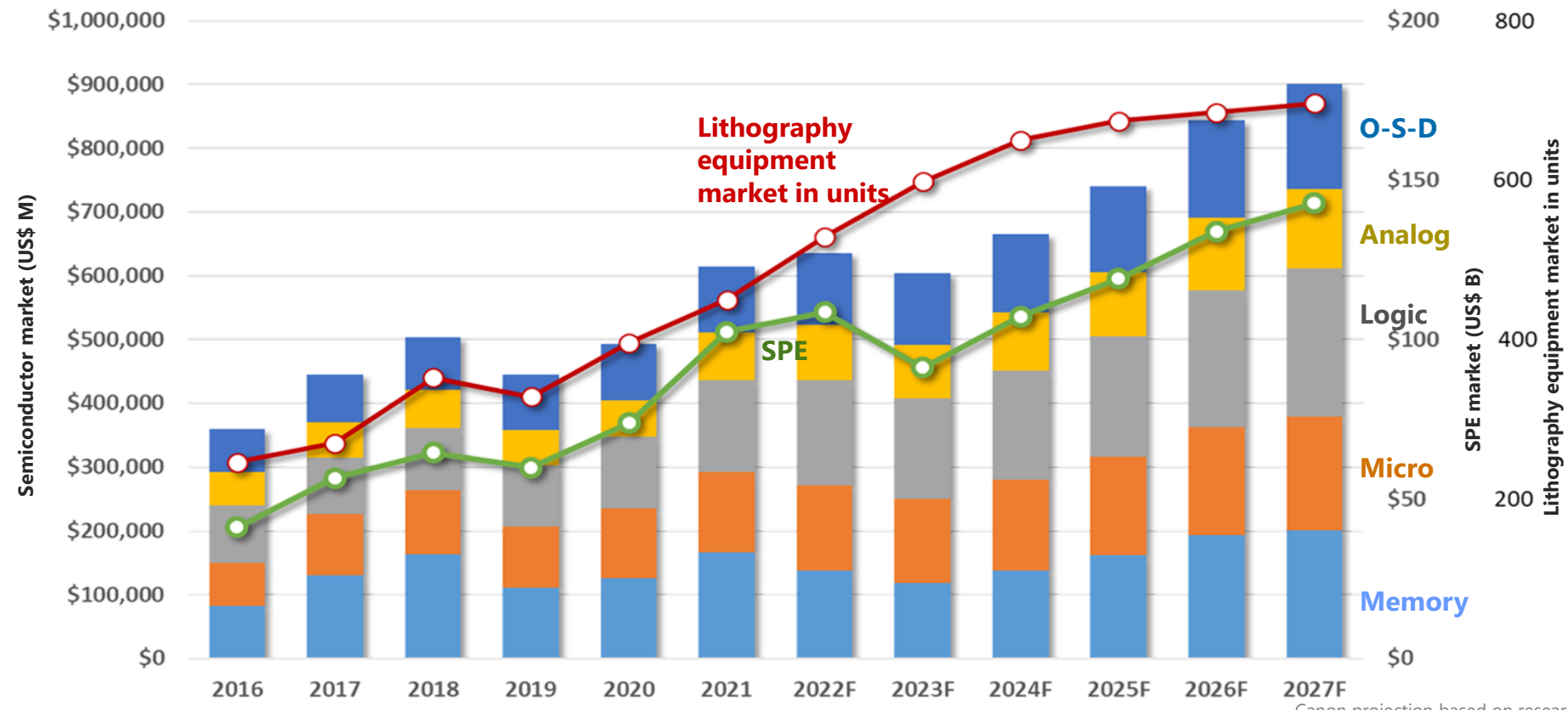
FPD lithography equip. for G8 substrates

Canon Tokki



OLED manufacturing equip.

Semiconductor Market Trend



CAGR ₂₁₋₂₇	
O-S-D	7.2%
Analog	9.3%
Logic	9.7%
Micro	6.8%
Memory	3.7%

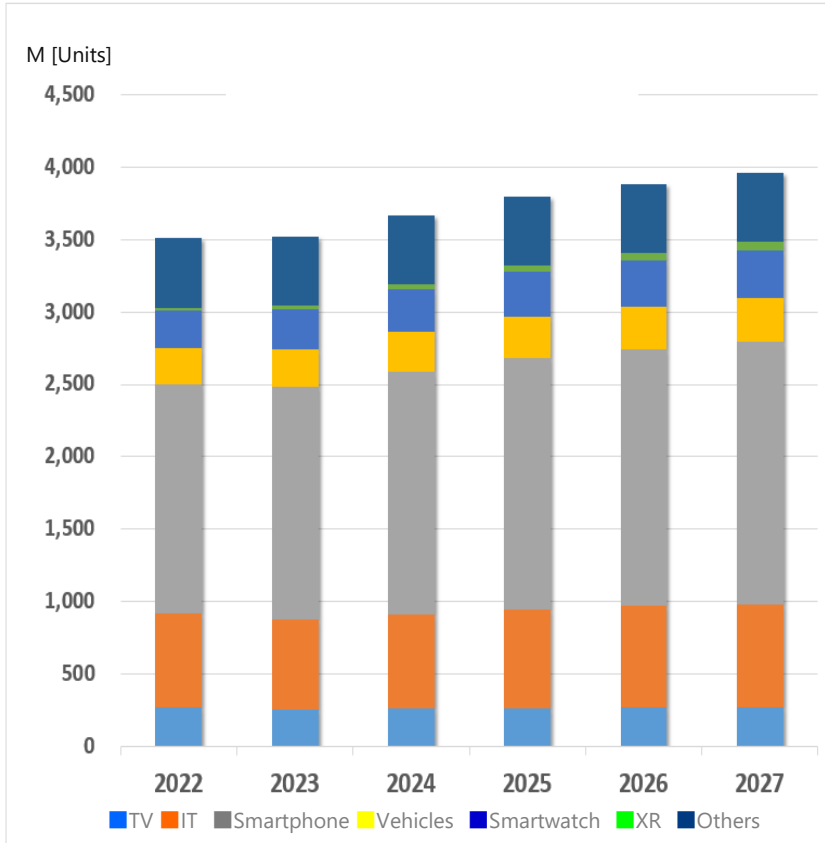
※O-S-D Optical Sensor Discrete Device

Semiconductor market, SPE market, Lithography equipment market in units

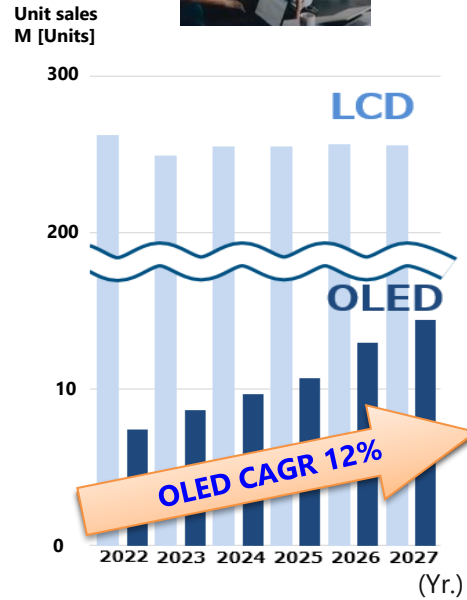
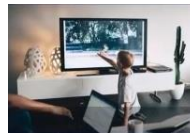
Strong demand for power devices, sensors, and logics continue. Recovery in memory market expected from the second half of 2023. Overall capital investment expected to stay active in spite of temporary market slowdown.

Display Market Trend

Display market trend (Overall)

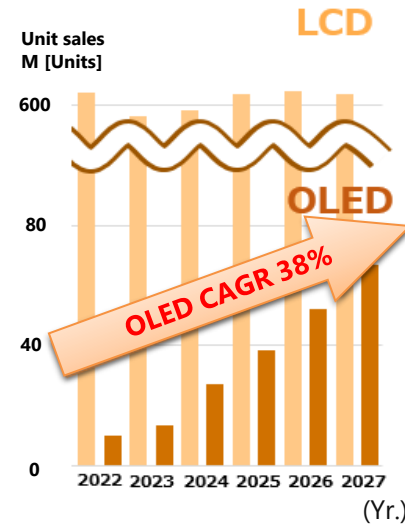


TV market trend (Large size)

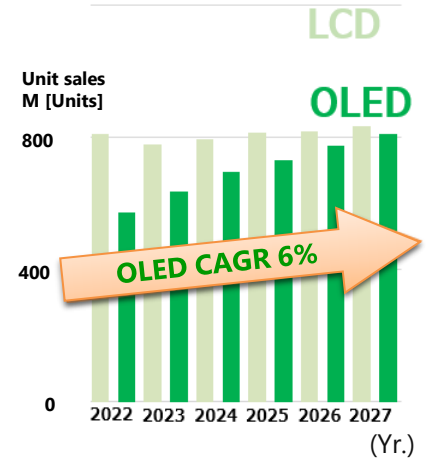


IT* market trend (Medium size)

* Desktop, laptop, tablet



Smartphone market trend (Small size)



Canon Projection based on research co. reporting

**With recent market softening , panel makers waiting for next opportunity
Expansion of OLED applications will drive the market**

- **Expand business scale, market coverage , and application of semiconductor manufacturing equipment**
- **Raise the competitiveness of OLED manufacturing equipment**
- **Strengthen and expand data solutions service**
- **Cultivate new business domains by integrating core technologies**

Expand business scale, market coverage, and application of semiconductor manufacturing equipment

Product lineup for SoC mass production



Nanoimprint lithography equip.
FPA-1200N2C



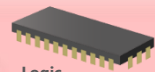
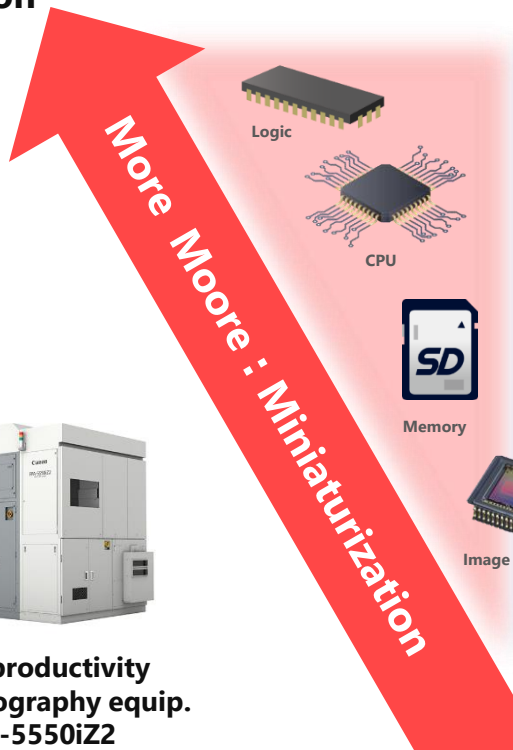
High-productivity KrF lithography equip.
FPA-6300ES6a



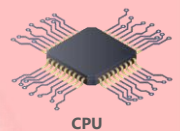
Wafer Metrology Tool
MS-001



High-productivity i-line lithography equip.
FPA-5550iZ2



Logic



CPU



Memory

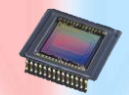


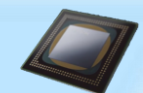
Image sensors



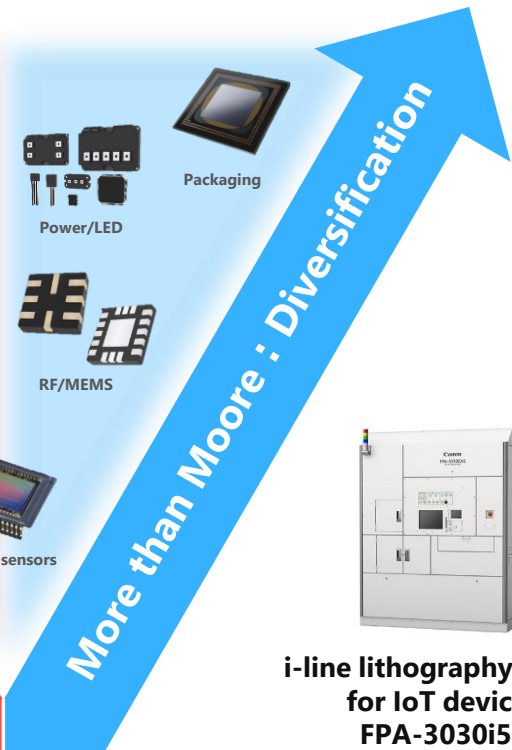
Power/LED



RF/MEMS



Packaging



Product lineup for SiP high-variety production



Lithography equip. for WLP
FPA-5520iV



Lithography equip. For PLP
FPA-8000iW



i-line lithography equip. for IoT devices
FPA-3030i5a
FPA-3030iWa

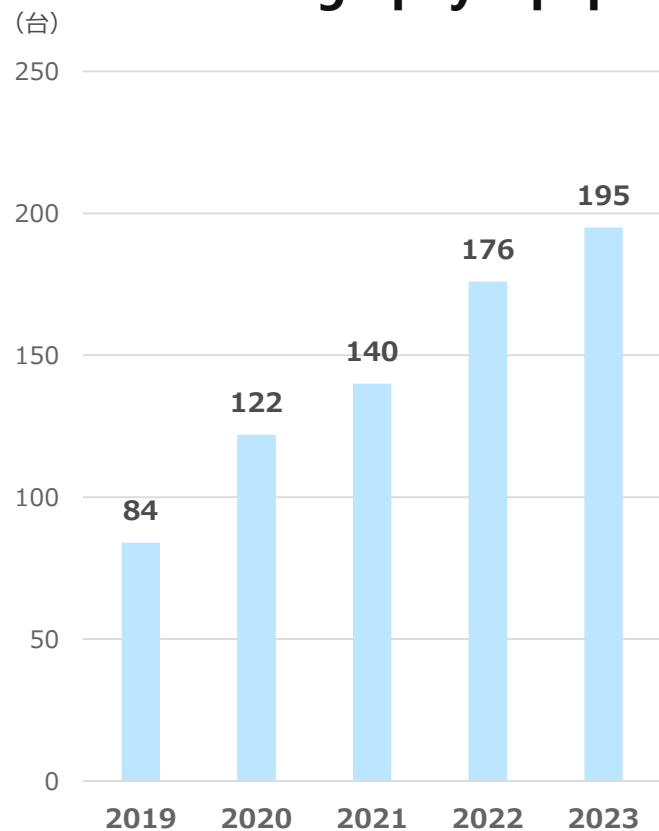


KrF lithography equip. for IoT devices
FPA-3030EX6

Respond to diversified needs of semiconductor market, which is expected to grow over the medium- to long-term, by product enhancement in terms of semiconductor device miniaturization and diversification

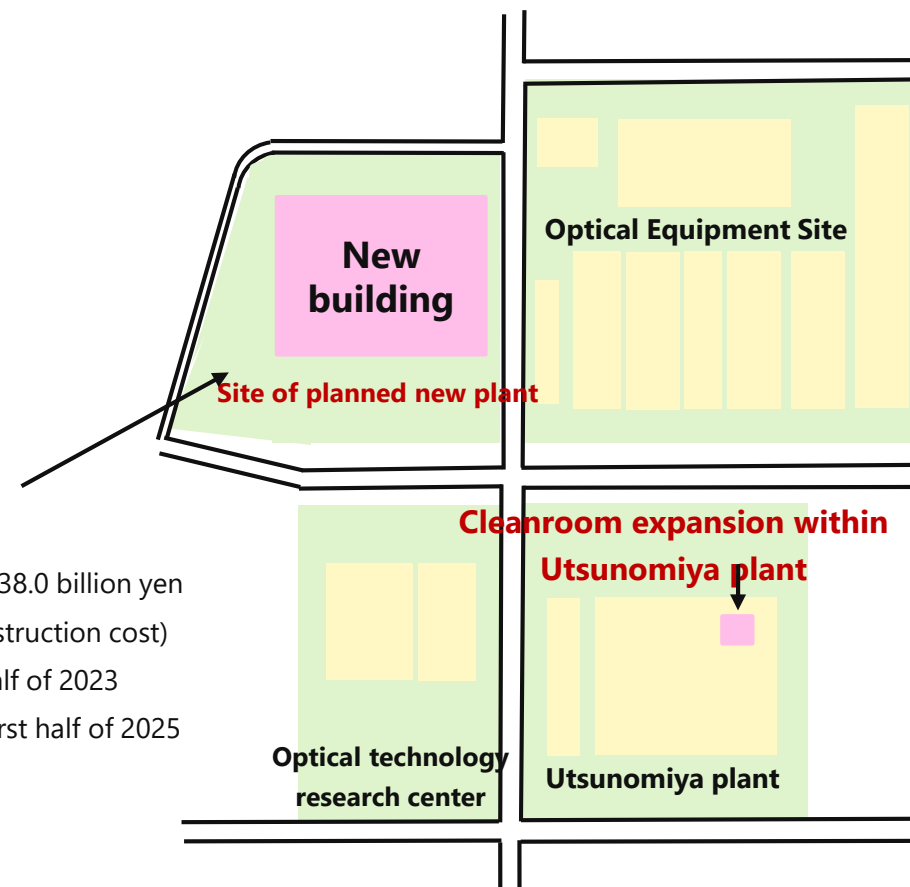
Expand business scale, market coverage, and application of semiconductor manufacturing equipment

Semiconductor lithography equip. unit sales



Further expand manufacturing capacity

Site area: Approx. 70,000m²
Investment amount: Approx. 38.0 billion yen
(construction cost)
Construction start: Second half of 2023
Planned start of operation: First half of 2025



A new building to be built in Utsunomiya to meet increasing demand over the medium- to long-term, Aiming to support semiconductor market growth with enhanced manufacturing capacity

Raise competitiveness of OLED manufacturing equipment

Resolution

Higher resolution



FPD lithography equip.
MPAsp-E903T



OLED Mass Production System
System-ELVESS



FPD lithography equip.
MPAsp-E813T



FPD lithography equip.
MPAsp-H1003H

Larger panel size



FPD lithography equip.
MPAsp-H803T



FPD lithography equip.
MPAsp-H1003T

Panel size

Further improve customer productivity, leveraging our extensive market experience
Facilitate expansion of OLED applications (IT panels, VR/XR etc.)

Strengthen and expand data solutions service

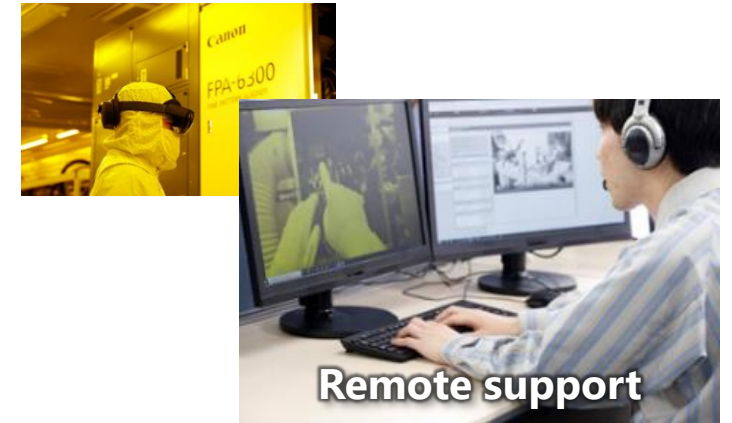
Launch “Lithography Plus,” a solutions platform for semiconductor manufacturing equip.

Improve productivity of lithography equip. in operation at customer sites, integrating support know-how and data

1. Raise operational efficiency of equipment support service for customers

2. Achieve high equipment utilization

3. Achieve high yield by optimizing parameters for each manufacturing process



Contribute to improvement at the front line of semiconductor manufacturing by quick cycles of value creation and delivery to our customers

Cultivate new business domains by integrating core technologies (1)

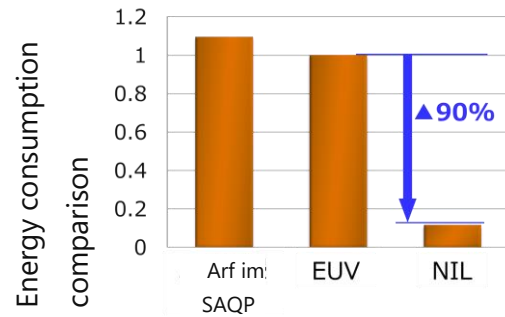
■ Nanoimprint semiconductor manufacturing equip.

- Next-generation semiconductor manufacturing equipment that can achieve circuit patterns in the 10 nm range at low cost

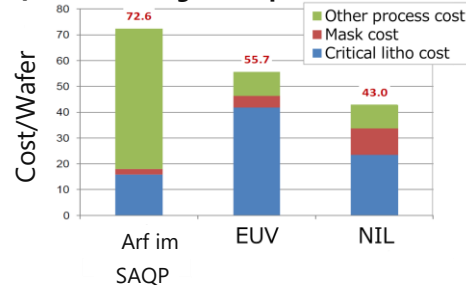


Nanoimprint semiconductor manufacturing equip. for mass production
FPA-1200NZ2C

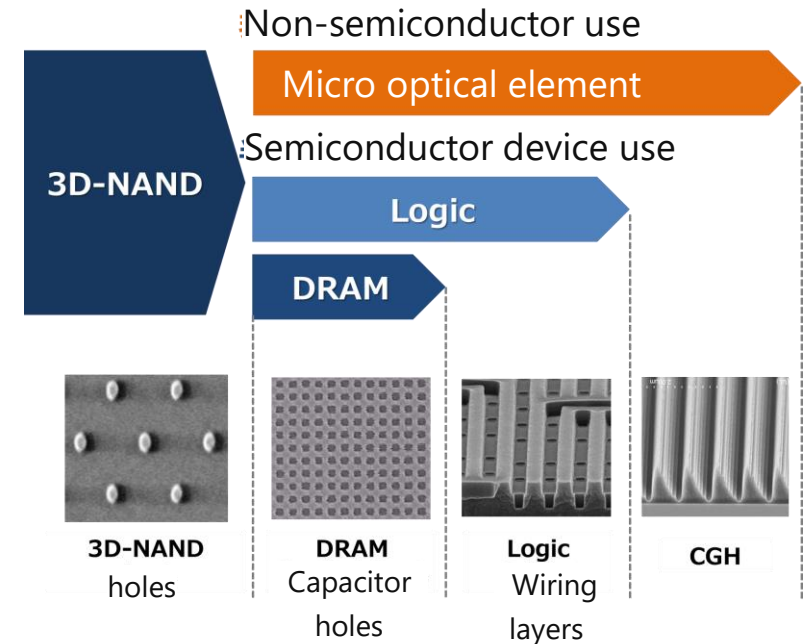
Power consumption comparison
(When forming 15nm pattern, Canon est.)



Manufacturing cost (CoO) comparison
(When forming 15nm patter, Canon est.)



Expand applications



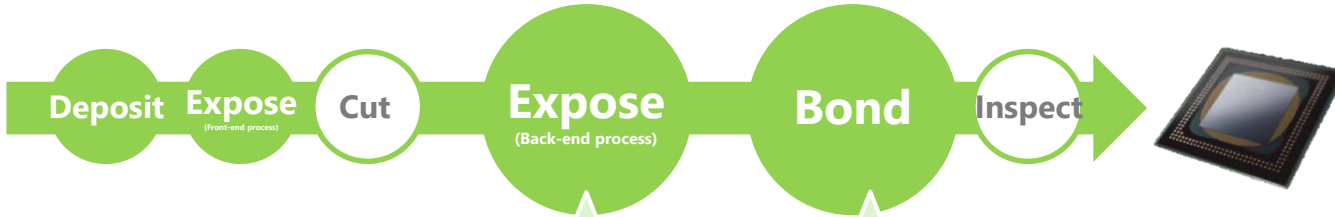
While preparing for 3D NAND mass production with nanoimprint semiconductor manufacturing equipment, expand its application to DRAM, logic, micro optical elements, etc.

Cultivate new business domains by integrating core technologies (2)

Semiconductor device manufacturing process (Abstract)

Front-end process

Back-end process



Optical Products Operations
i-line stepper for advanced packaging
FPA-5520iV

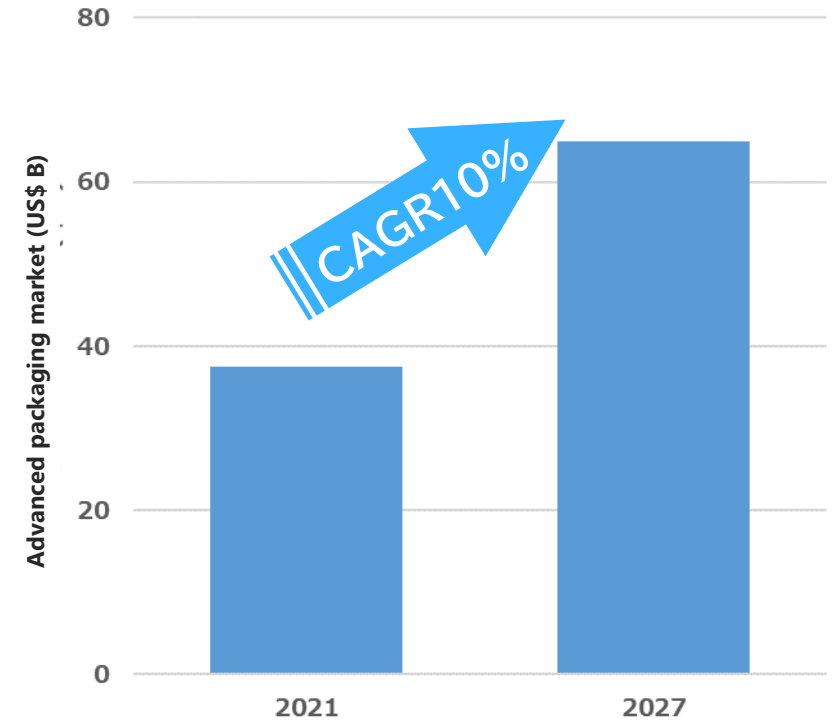


Optical Products Operations
i-line stepper for large panel substrates
FPA-8000iW



Anelva
Atomic diffusion bonding equip.
BC7300

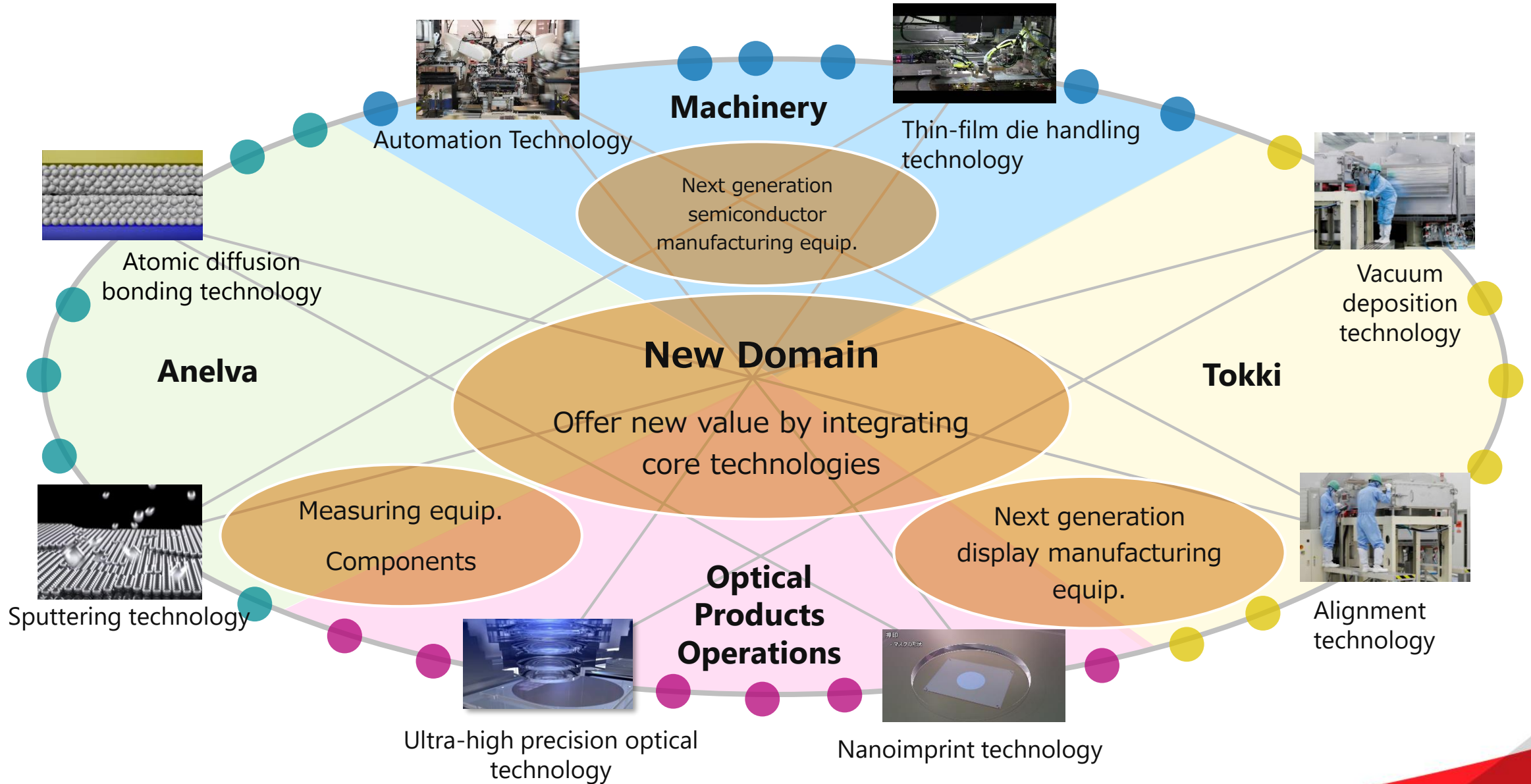
Advanced packaging market



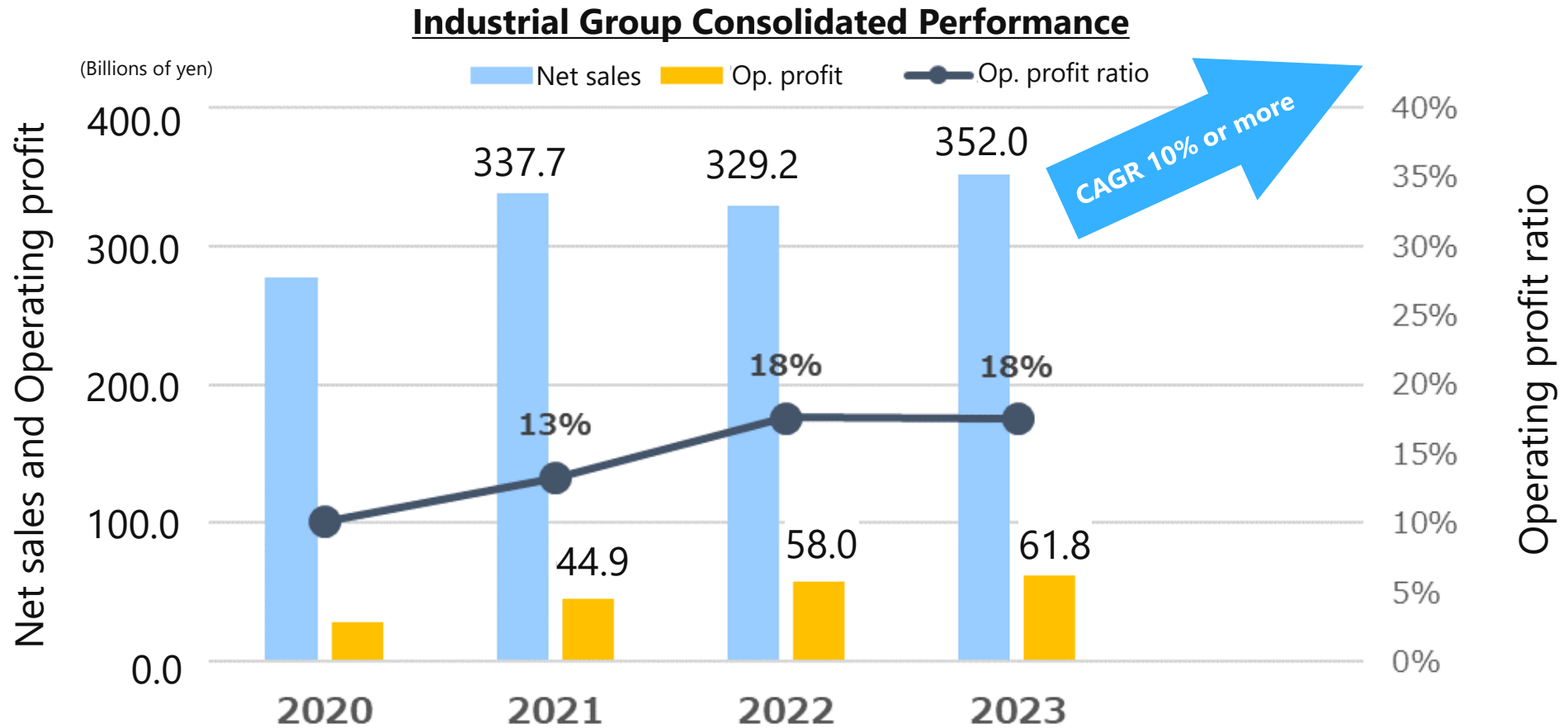
Canon projection based on research co. reporting

Will develop next-generation technologies to address rapid market expansion, while responding to current market for advanced packaging with existing products

Cultivate new business domains by integrating core technologies (3)



2023 Performance Outlook



Will firmly capture demand in the semiconductor and display production market by strengthening supply chain and manufacturing capacity

Aiming for compound annual growth rate of 10% or more up to 2025,