

**Canon Inc.**

**2023 Corporate Strategy Conference**

# **Imaging Group**

**March 6, 2023**

**Masanori Yamada**

**Senior Managing Executive Officer**

**Head of Imaging 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.

# Imaging Group Business Areas

Expand role of imaging from “**shooting & viewing**,” to “**experiencing**” & “**utilizing**” and creating new business in those areas

**Experience**

**Utilization**



# 2022 Results & Growth Strategy (Imaging)

## Results      Imaging Group sales & profit growth. Significant improvement in profitability

### Profitability

- 2021 12.0%, 2022 15.8%

### Cameras

- Firmly maintained mirrorless camera market share
- Expanded unit sales, adding first EOS R System mirrorless cameras with APS-C image sensor

### Network Cameras & Others

- Posted record-high network camera net sales as Axis achieved significant revenue growth
- Drew great attention by broadcasting of professional sports using Free Viewpoint Video System



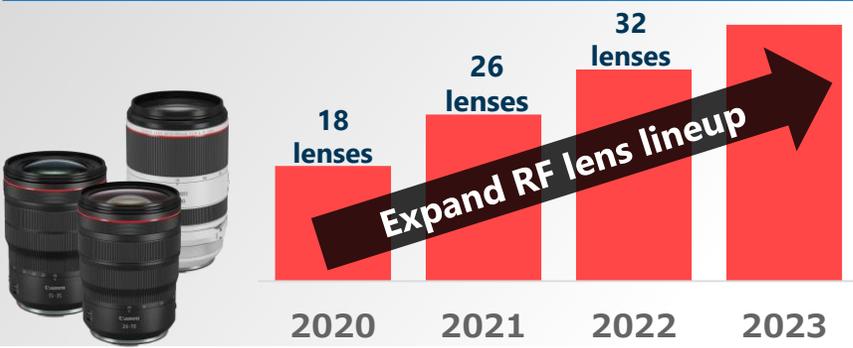
## Growth Strategy      Maintain high profitability of current businesses while creating new ones

Aiming for 1 trillion yen in 2025 sales for entire group

# Growth Strategy (Overwhelming No. 1 Mkt. Shr.)



## Enhance EOS R System



## Expand EOS VR System



## Expand video-oriented customer base

### Creator

"New" visual expression



### Media

Photos & videos  
One operator



### SNS post

Simple workflow  
Monetize

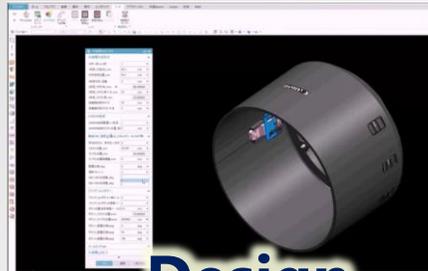


## Support creation of VR imaging environment



# Growth Strategy (Strengthen profit structure)

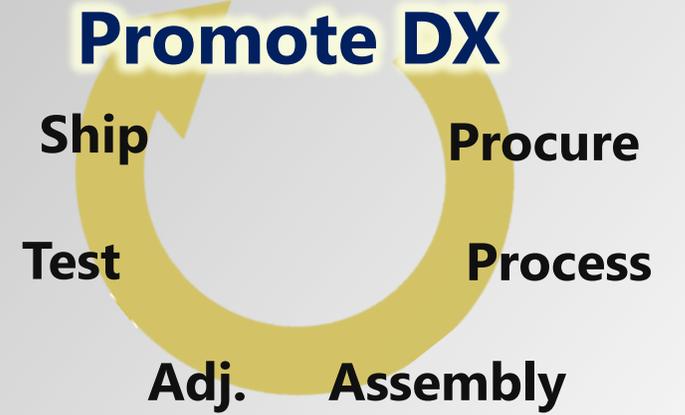
Build efficient development system



Improve productivity



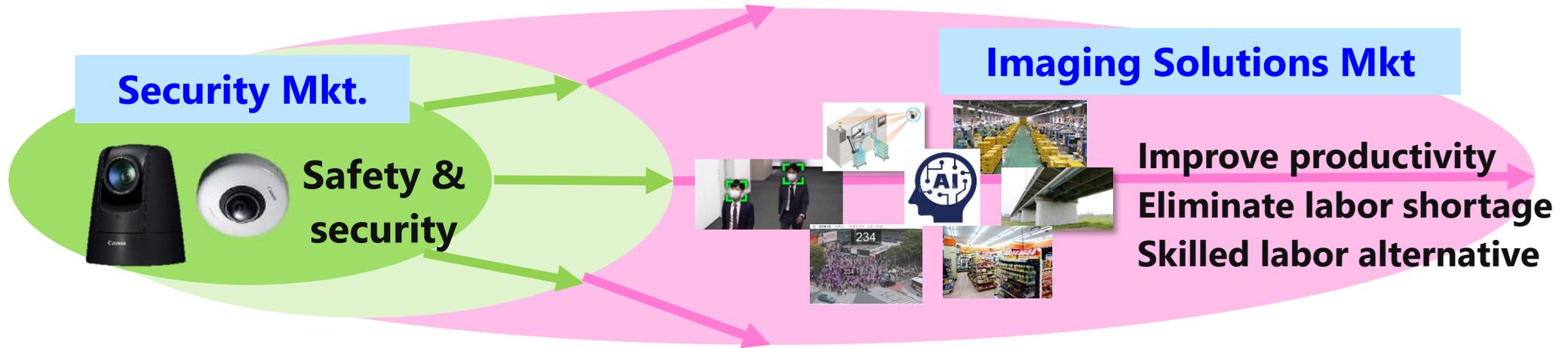
Efficient manufacturing system



# Growth Strategy (Expand Network Camera Business)



Double-digit growth of network camera market as focus expands from security to imaging solutions



Canon Group growing faster than the global market\*, maintaining No. 1 global market share

\*Excluding China



# Growth Strategy (Evolve Video Production System)

Prepare systems that address labor saving and remote operation in the video production market



Optical technology

Image processing technology

Network transmission technology

Broad-casting

Enterprise

Education

Control over network using **common protocol**



Specialized controllers

Add features via **ADD ON Apps**



Automatic tracking

Automatic tracking



# Growth Strategy (Strive for new image experience)

Expand and **create market** with unprecedented realism and sense of immersion

## Volumetric video (Free Viewpoint Video System)

Generated from live action in studios and stadiums



Rendering of Free Viewpoint Video System in operation

### Use Examples

Professional sports broadcasting, such as basketball and baseball games, commercials, music videos, etc.

## XR

Fusing reality with 3D CG with realistic results



### Use Examples

Virtual prototyping in manufacturing, checking working postures or equipment placement in a production line (MR)

Live streaming, weddings etc. (VR)

# Growth Strategy (Develop advanced surveillance)

Leverage Canon's technology and product performance in the surveillance area of public facilities and Critical Infrastructure



1. Outstanding imaging technology obtained through consumer product development



Cameras with extreme low light sensitivity full-frame CMOS sensors



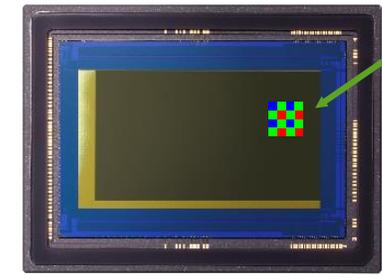
Image sharpening technology

2. Vast array of lenses that no other company can match



3. Advancing sensors with superlative low-light sensitivity

35mm full-frame CMOS sensor



Pixel pitch 19μm



Pixel pitch 6.39μm

SPAD Image sensor

Develop products that incorporate SPAD sensors with 1/9th the size of current sensors, very low noise