

Canon Inc.

2024 Corporate Strategy Conference

Industrial Group

March 8, 2024

Hiroaki Takeishi

Senior Managing Executive Officer

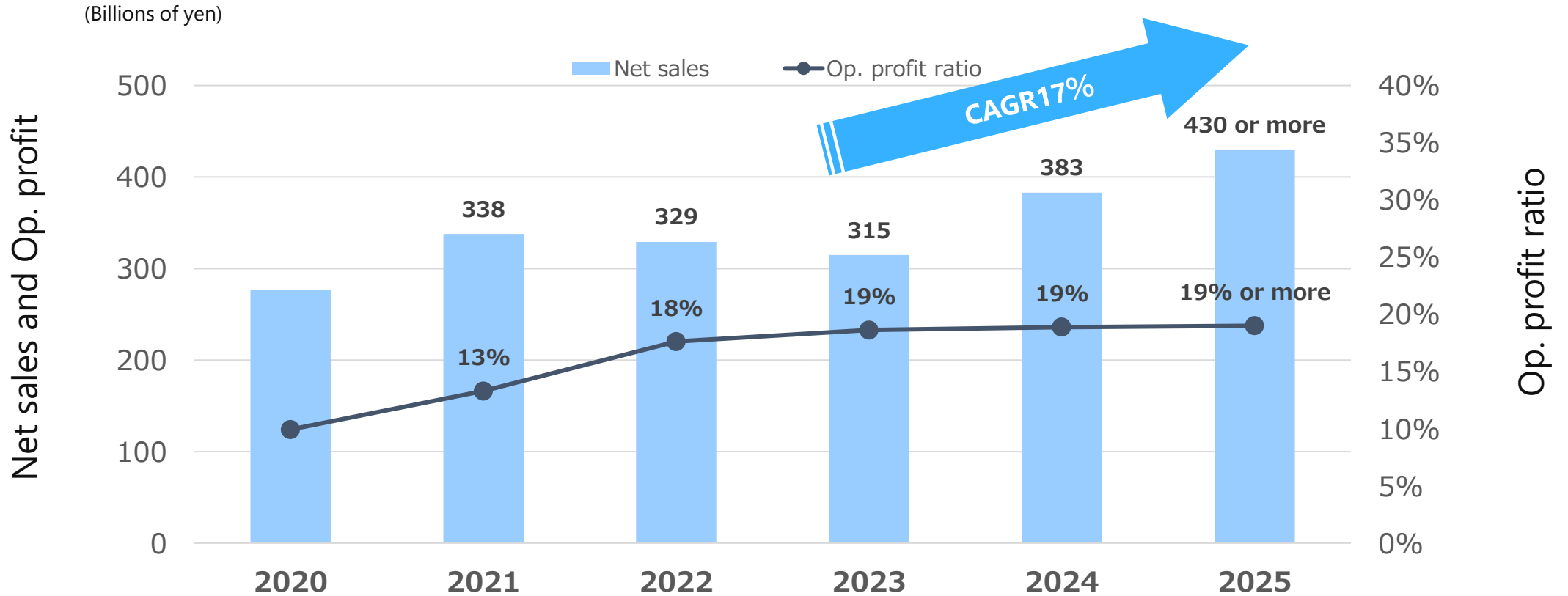
Head of Industrial Group

Canon

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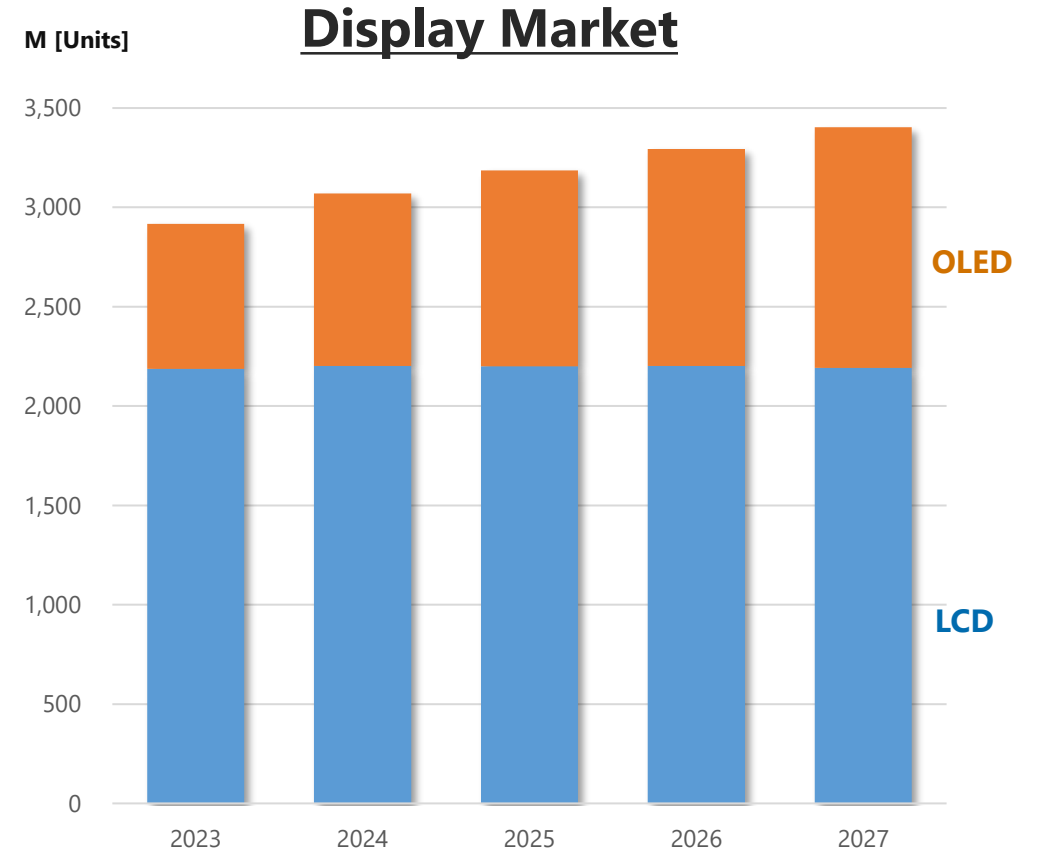
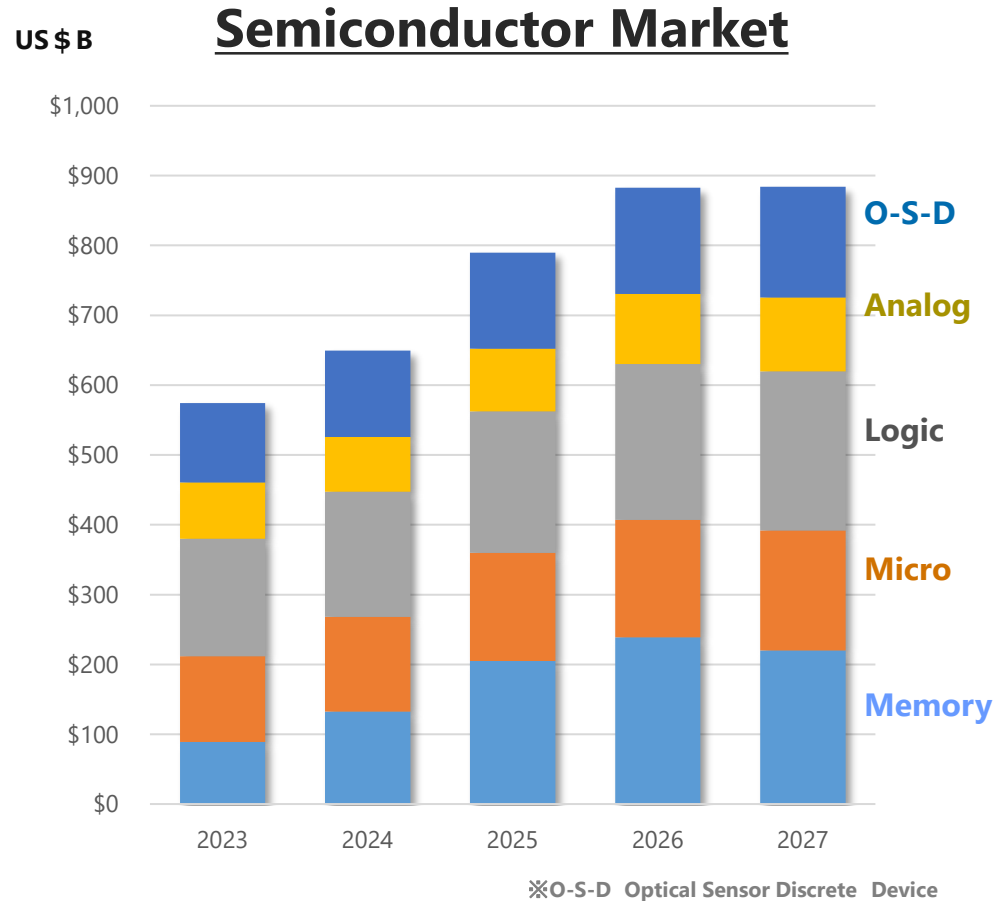
Performance Targets

Industrial Group Consolidated Performance



Maintain high profitability by firmly capturing market growth and demand for semiconductors and displays

Semiconductor and Display Market Trend



Semiconductor Mkt.: Solid for logic, power, and sensors. Recovery in 2H 2024 for memory
Display Mkt.: OLED displays growth driver as their use in IT panels etc. increases

Results up to 2023 & Challenges

- In strong semiconductor market, expanded lineup of competitive products, achieved significant growth in unit sales
- Launched equipment for cutting-edge device market, including nanoimprint and tools for 3D packaging
- Challenges: Expanding share and raising profitability in display market that is in midst of correction



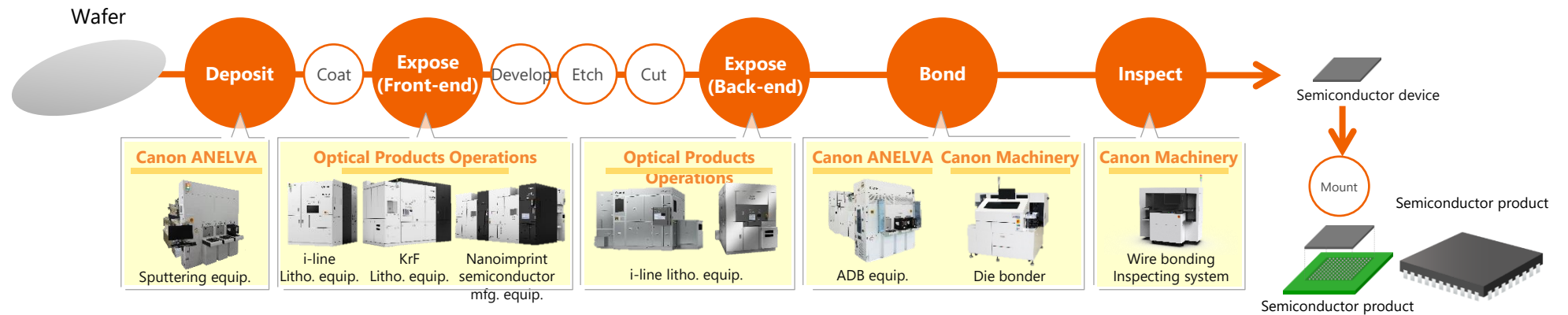
Strategies & Measures Over Next Two Years

- Further raise competitiveness of semiconductor manufacturing equipment, secure production capacity to meet market demand
- Promote nanoimprint use in mass production process, particularly with major semiconductor device manufacturers, as well as encourage sales expansion
- Strengthen display manufacturing equipment competitiveness and after-market business

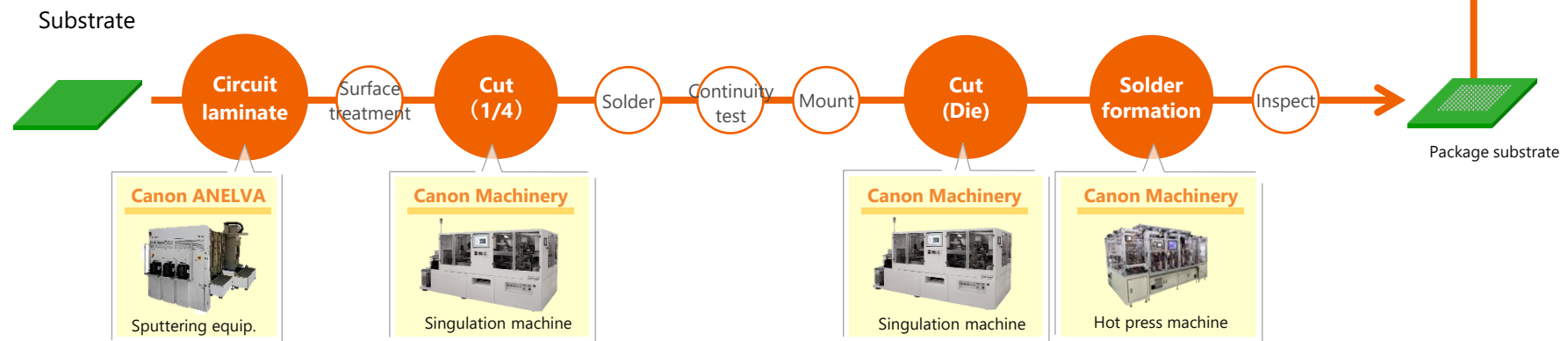
- **Respond to expansion in scale, scope, and application of semiconductor manufacturing**
- **Raise Competitiveness of manufacturing equipment for OLED displays**
- **Strengthen and expand data solutions business**
- **Cultivate new business domains through integration of core technologies**

Industrial Group Expanding Lineup of Semiconductor Manufacturing Equipment

Semiconductor device manufacturing process (Abstract)

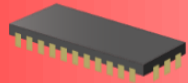


Package substrate manufacturing process (Abstract)

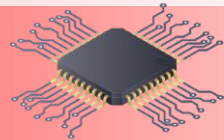


Respond to expansion in scale, scope, and application of semiconductor manufacturing

More Moore : Miniaturization



Logic



CPU



Memory

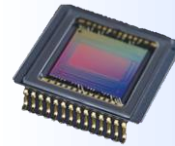
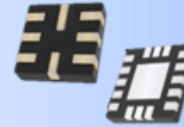
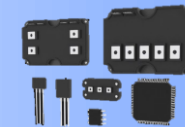


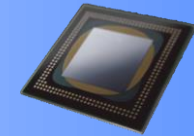
Image sensor



RF/MEMS



Power/LED



Packaging

More than Moore : Diversification



Nanoimprint Semiconductor Manufacturing Equip.
FPA-1200NZ2C



High Productivity KrF Litho. Equip.
FPA-6300ES6a



High Productivity i-line Litho. Equip.
FPA-5550iZ2



Litho. Equip. for WLP
FPA-5520iV



Litho. Equip. for PLP
FPA-8000iW



i-line Litho. Equip. for IoT Devices
FPA-3030i5a / FPA-3030iWa



Wafer Alignment Measurement Device
MS-001



Memory Wire PVD Equip.
IC7500



Atomic Diffusion Bonding Equip.
BC7300



Epoxy Die Bonder
BESTEM-D510

Meet expanding equipment demand through core products such as i-line & KrF Litho. Equip. and sputtering equip. while introducing strategic products in the cutting-edge device, power device, and advanced packaging market for AI

Expansion of Nanoimprint Semiconductor Mfg. Equip.

■ Low Cost and Low Energy Consumption in Mfg. of Circuit Patterns in the Range of 10nm

Patterning Performance & Application

Meet need for miniaturization in 10nm range and for various devices via 3D single patterning

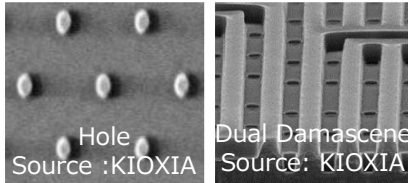
FPA-1200NZZC

Nanoimprint semiconductor manufacturing equipment (October 2023)

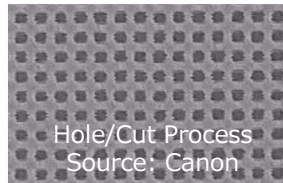
Energy Consumption & Mfg. Cost

Very low energy consumption and low cost in mfg. of advanced devices

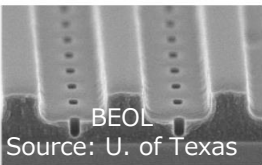
NAND



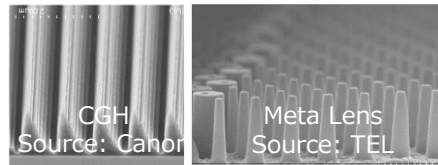
DRAM



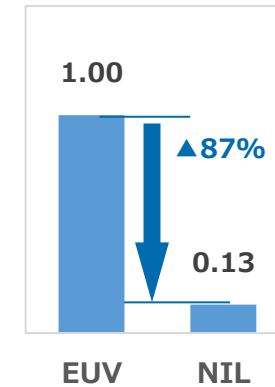
Logic



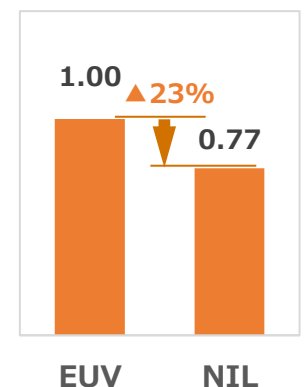
Optical elements



Energy Consumption



Cost per Wafer



(When forming 15nm pattern, Canon est.)

Promote customer adoption in various segments such as memory, logic, and micro optical elements by leveraging strengths in areas such as fine and clear pattern formation, 3D single patterning, low power consumption and low cost

Expand Product Lineup for Advanced Packaging Sphere

Wafer Level Package



Litho. Equip. for WLP
FPA-5520iV
(Optical Products Operations)

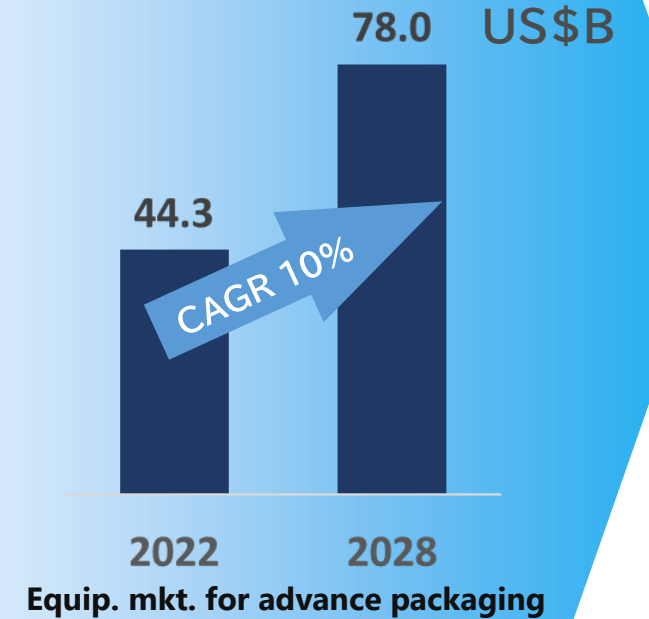


Atomic Diffusion Bonding Equip.
BC7000
(Canon Anelva)



Atomic Diffusion Bonding Equip.
BC7300
(Canon Anelva)

Evolution of integration tech. of heterogeneous devices



Panel Level Package



Litho. Equip. for PLP
FPA-8000iW
(Optical Products Operations)



Advanced Packaging High Productivity PVD Equipment
EL3400
(Canon Anelva)

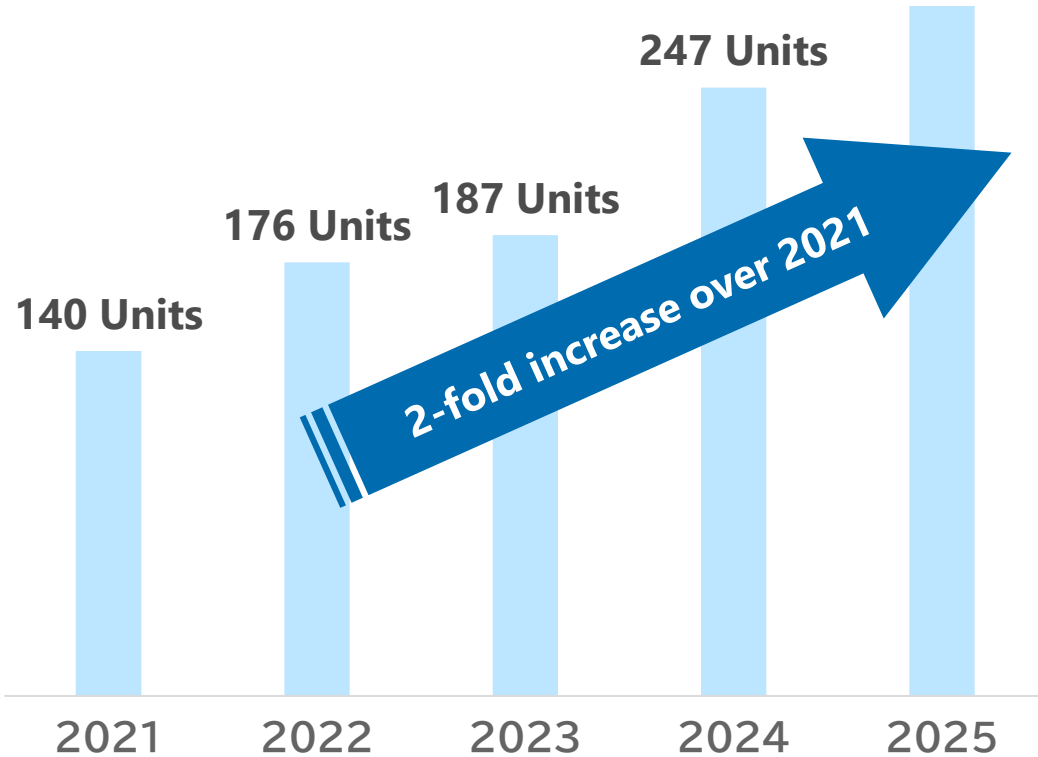


Substrate Coining Machine
HPM-44000
(Canon Machinery)

The Group will develop powerful products for the rapidly expanding advanced packaging market and launch new products that meet the evolving heterogeneous device integration technology

Enhance Production Capacity, Constructing New Facility at Utsunomiya site

Semiconductor Litho. Equip. Sales



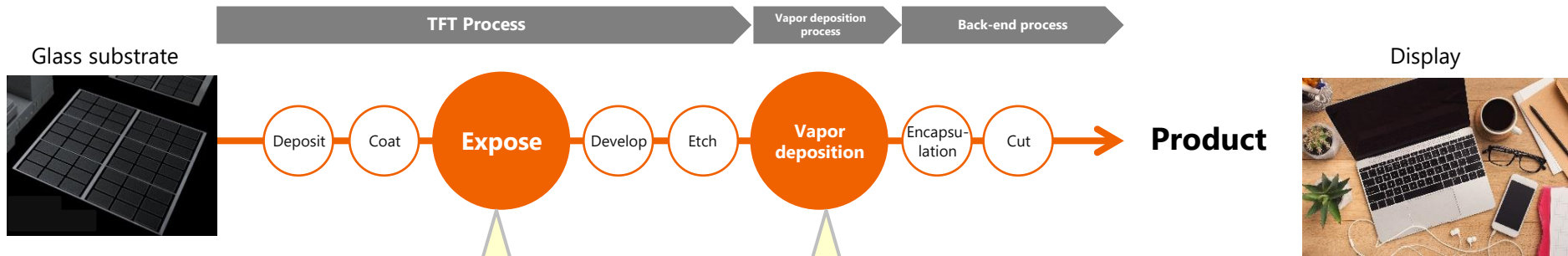
New factory (Concept)

- Automation: On-site logistics, skilled work
- Optimization: Centralized management of production information
- Environmental response: Energy conservation, waste reduction

Started construction of new factory in Dec. 2023, become operational in the 1H 2025 (Planned)
Meet expanding market demand for semiconductors through significant increase in production capacity

Display Mfg. Equip. Developed by the Industrial Group

Display manufacturing process (Abstract)



Optical Products Operations

FPD litho. equip. for G6 substrates **FPD litho. equip. for G8 substrates**

Canon Tokki

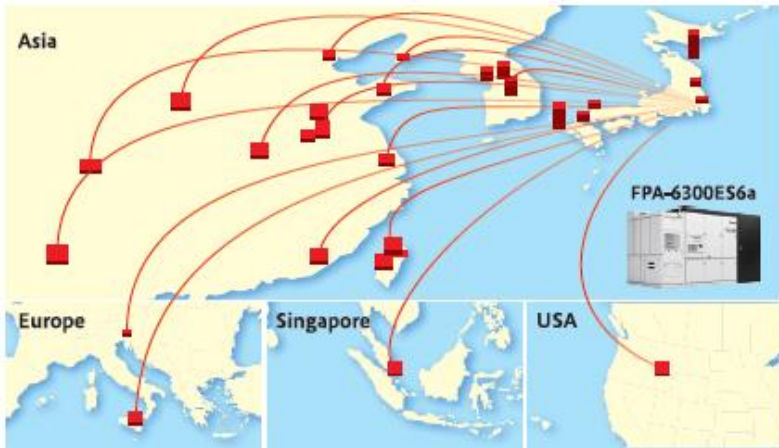
OLED display mass-production equip.
Weight: 2,500 tons
Length: Over 100 m

Through G6 and G8 mfg. equip. that meet customer demand, expand market share, while raising profitability of after-market business, based on our strong market results

Strengthen & Expand Data Solutions Business

Expand "Lithography Plus," platform for industrial equipment data solutions

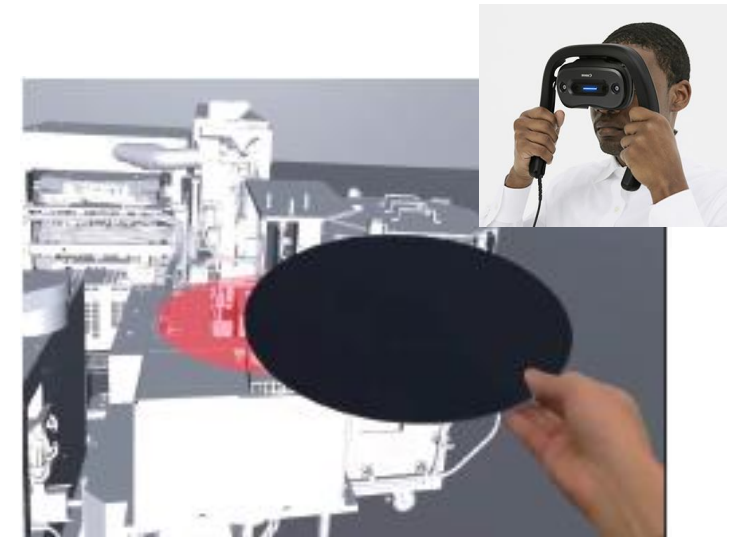
Integrate digital technology and equipment know-how to achieve high utilization rates and yield



Big data analysis of MIF



Remote support solutions



Training that uses MREAL

**Using AI analysis of big data generated by global MIF,
Expand solution business to achieve evolution in semiconductor manufacturing process**

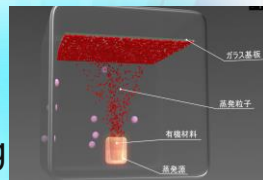
Core Technologies



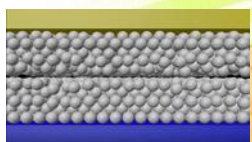
Automation



Thin film Die Handling



Vapor Deposition

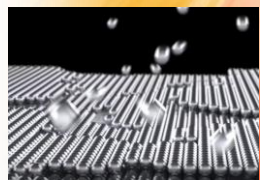


Atomic Diffusion Bonding

**Integration of
Core Technologies**



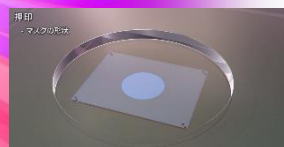
Alignment



Sputtering



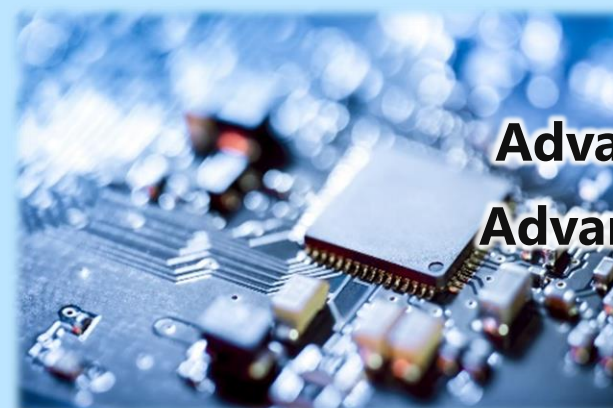
Ultra-high
Precision
Processing



Nanoimprint



New Domains



**Advanced Logic
Advance Packaging**



**XR Displays
Metalenses**