

## Announcement of SD1 Merrill

2012.2.8

To our valued customers,

We would like to express our appreciation for your loyal patronage of SIGMA products.

Today, we announced our new digital single lens reflex camera, the Sigma SD1 Merrill. This product has the same features, performance, and specifications as the SIGMA SD1, however, the price is substantially revised. We are gearing up for its release in March 2012, and the market price is expected to be approximately “JPY200,000.-”.

At the time of its introduction, the SIGMA SD1 was a revolutionary product incorporating a 46MP\* direct image sensor which provided the highest resolution in a digital SLR camera. As the world's only full color sensor capturing all three primary color components (R, G, and B) within each pixel location, the Foveon X3 Direct Image Sensor made it possible for the image quality of SD1 not only to demonstrate improved resolution, but also to obtain richer expressions of gradation, as well as to enhance the three-dimensional impression which is specific to Foveon sensors. \*Resolution equivalent to 30MP on a color filter array sensor.

However, even with this revolutionary image sensor, we could not solve issues related to some of the manufacturing methods before the start of mass production, and the production cost ended up substantially exceeding our originally expected price. As a result, we had no choice but to set the price of the SIGMA SD1 high. This caused great discouragement to all of you who looked forward to its release, and wished to experience the very unique image quality of the SIGMA SD1 in person; this has become our biggest disappointment and pain.

Since then, overcoming this situation has become the first priority for us and Foveon, and we have together made improvements to reduce production cost substantially. Even though this effort took nearly a year, at last, we achieved a reduction target close to the price we originally planned. Therefore, we decided to release SIGMA SD1 as a new product, and were able to make our recent announcement.

The SIGMA SD1 Merrill keeps the best image quality of the SIGMA SD1, which has a unique identity, but comes with a substantially revised price. Although some of the manufacturing methods have been enhanced, the performance and characteristics of the sensor itself have not changed. There is nothing more pleasurable for us than enabling our valued customers to experience the SIGMA SD1 Merrill in person, as a digital SLR camera of a new era which inspires photographers' inner artistic sensitivity, providing “high image quality” and changing current perceptions of what is possible.

On the other hand, we fully understand that it is not acceptable for current SIGMA SD1 users, that a new product with exactly the same specifications as their camera will be released with a substantially revised price a year later. After all, those customers committed to purchasing the SIGMA SD1 with great expectations.

During this period, we have seriously considered how we can express our appreciation for our Sigma SD1 customers. Currently, we have a plan to offer a support program for current SIGMA SD1 owners. This support program will provide points that can be exchanged for our products worth up to “JPY400,000.-”. This program is expected to be valid after the release of SIGMA SD1 Merrill and last until the end of this year, 2012. It will be applicable for all SIGMA products including both current and new products to be released this year. More details will be available soon; we appreciate your kind understanding as we finalize this program.

We would like to once again express our appreciation to current SIGMA SD1 owners, and other customers who are looking forward to our next DSLR camera, for your loyal patronage to SIGMA. We will continue doing our best with the aim to design and manufacture ideal photographic equipment that inspires the artistic hearts of photographers everywhere. We sincerely value your continued support.

**Kazuto Yamaki**  
**Chief Executive Officer**  
**SIGMA CORPORATION**