

Canon Inc.

2023 Corporate Strategy Conference

Canon Overall Strategy

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Fujio Mitarai

Chairman & CEO

Canon

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Excellent Global Corporation Plan Phase VI

- Review of Results Over Past Two Years P 1-2
- Future Strategy P 3-6
- Financial Strategy P 7
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Review of Results Over Past Two Years

Reorganize into 4 industry-oriented groups



Streamline organization, demonstrate synergy effects

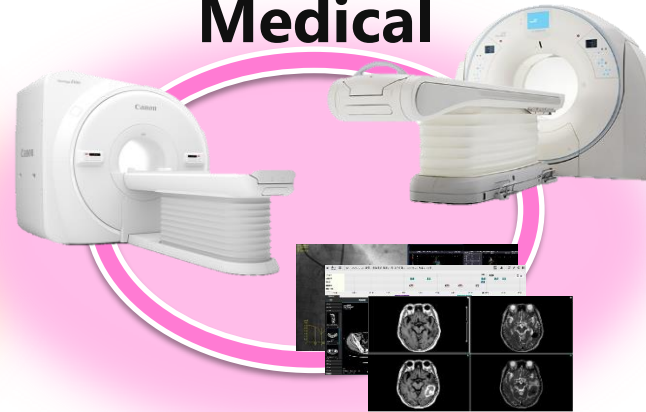
Printing



Imaging



Medical



Industrial



Establishing a structure that facilitates the creation of new products and services

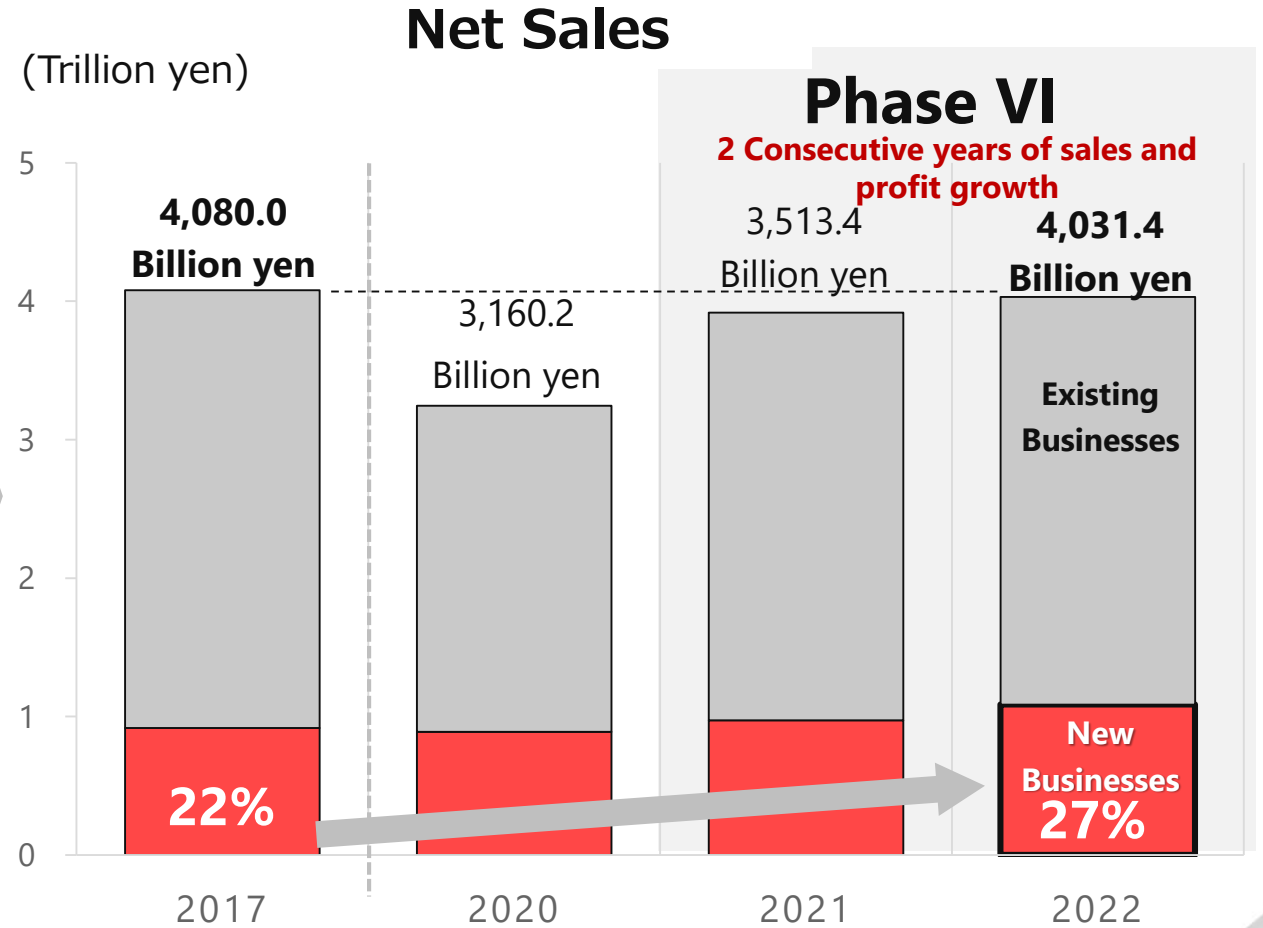
Review of Results Over Past Two Years

Effective in transforming business portfolio amid challenging external environment

- **Parts shortage:**
Chg. design, Develop new suppliers
- **Logistical constraints:**
Secure alternative transportation routes

Strong product competitiveness

- Reflect cost increase in selling price
- Expand sales volume



Market returns to normal in 2023

Accelerate strategy execution to achieve 2025 targets

Basic policy

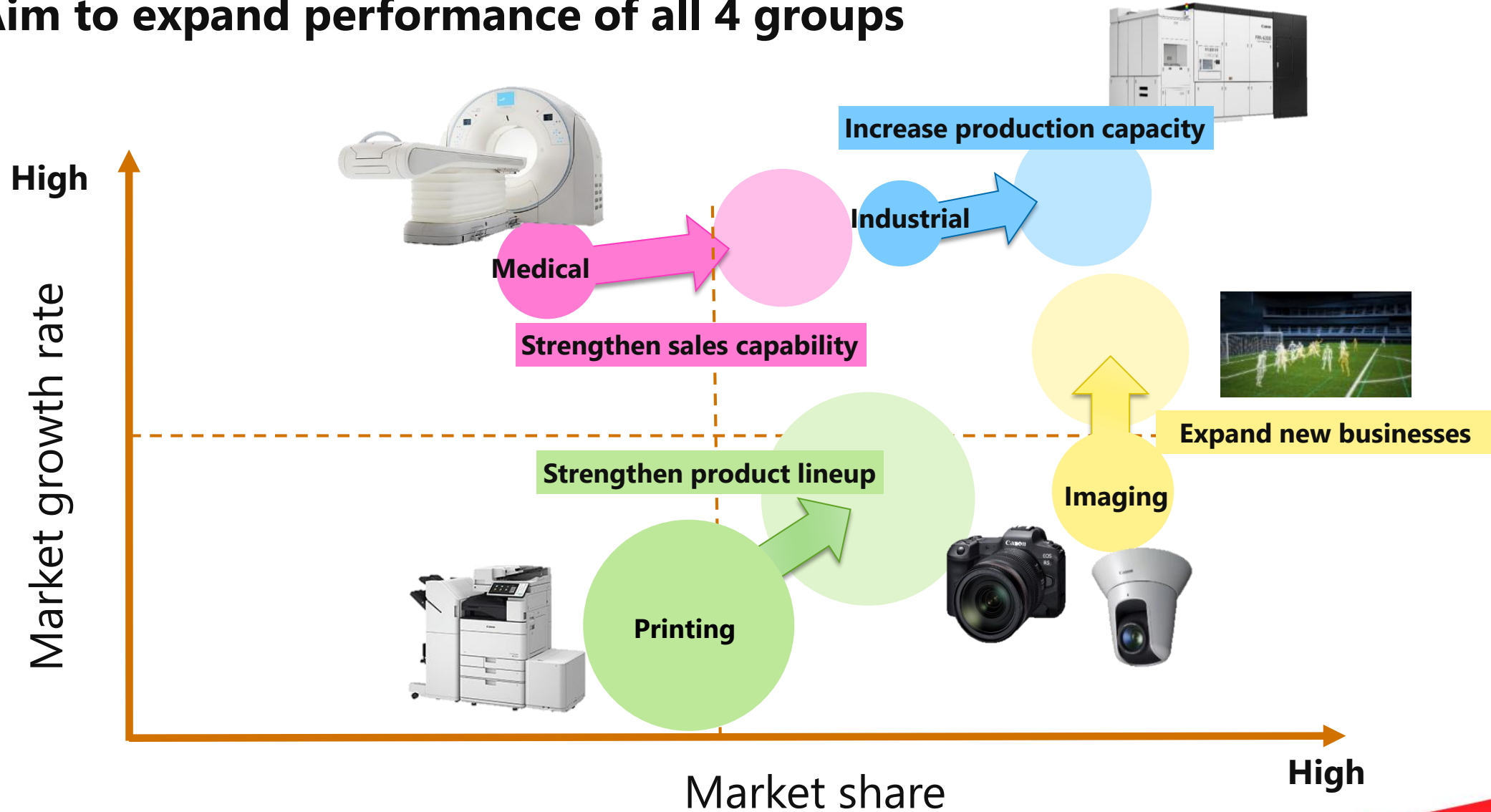
**Portfolio transformation through productivity
improvement and new business creation**

Strategy

- 1. Strengthen and expand industry-oriented groups**
- 2. Develop new products and services based on own technology**
- 3. Re-structure global production system**

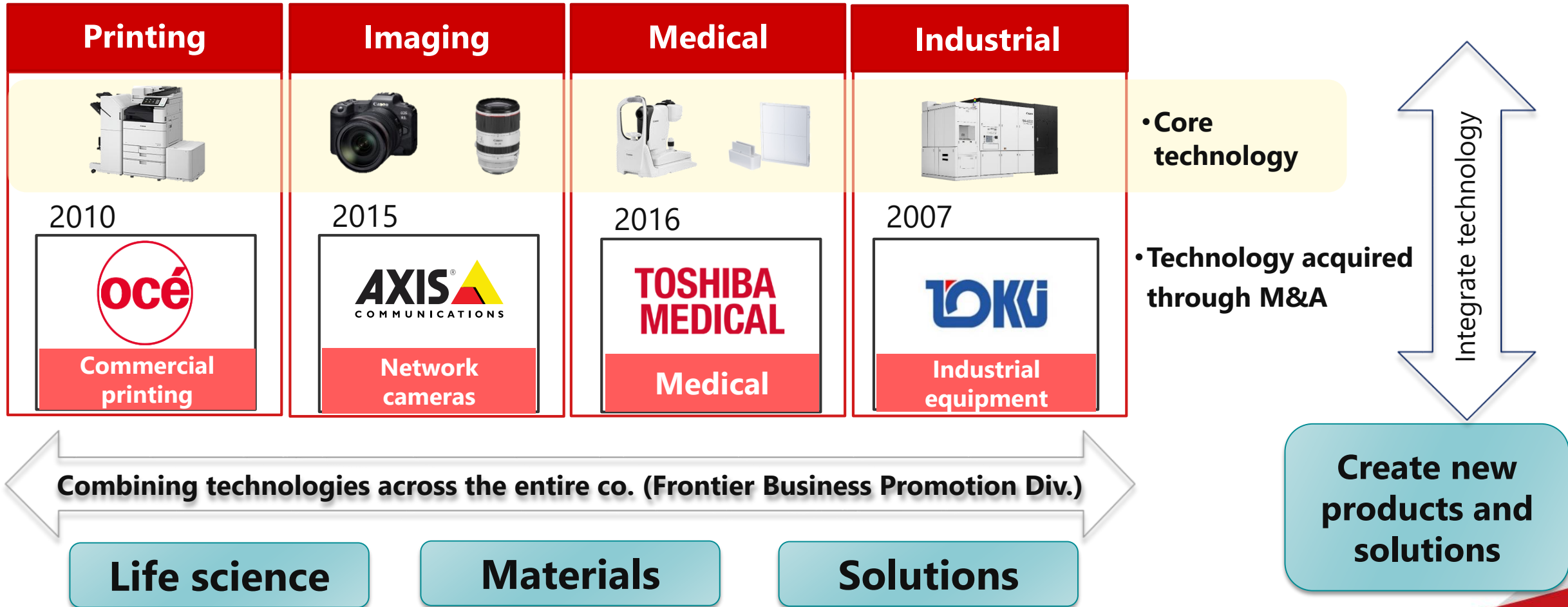
(1. Strengthen and expand industrial-oriented groups)

Aim to expand performance of all 4 groups



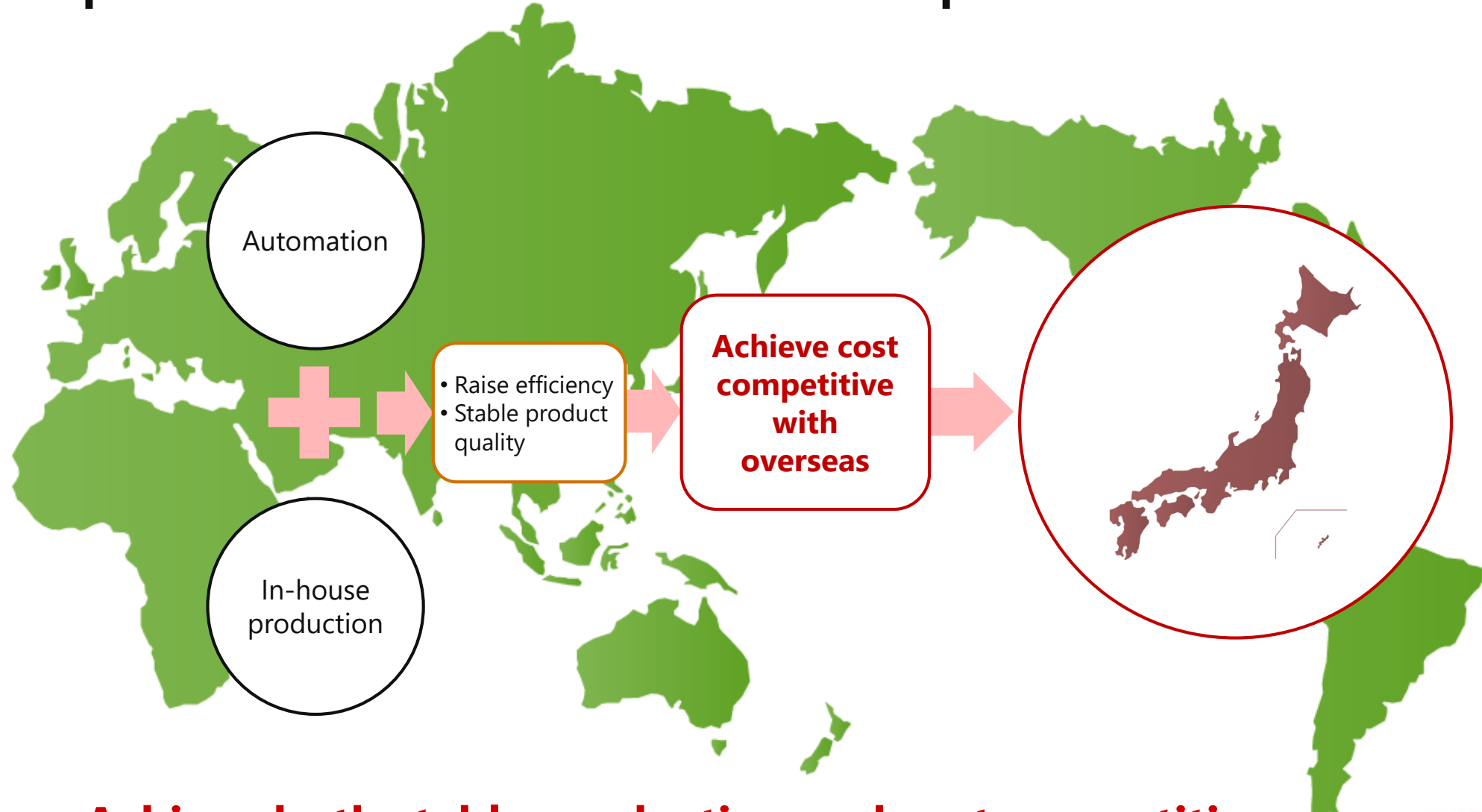
(2. Create new products and services based on own technology)

Create new businesses through development of proprietary technology



Future strategy (3. Re-structure global production system)

Review production sites Return to domestic production

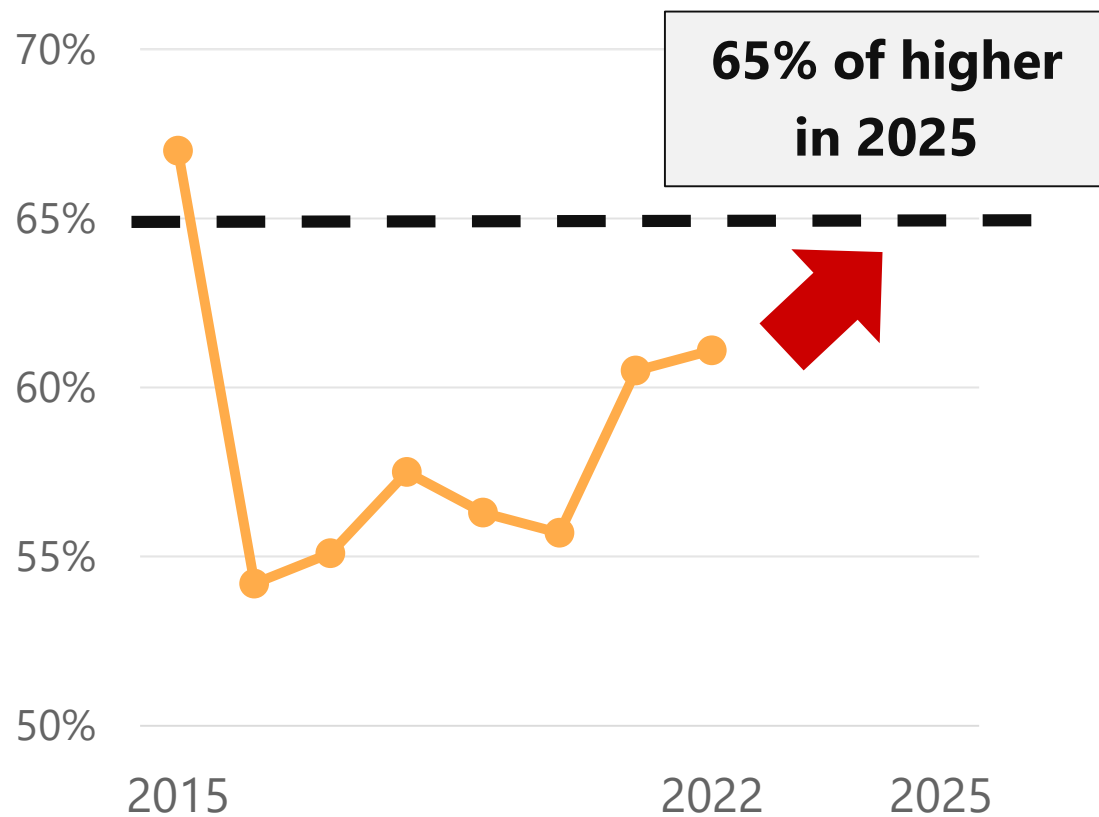


Achieve both stable production and cost competitiveness

Maintain/strengthen healthy financial constitution

- 2025 Policy

Raise shareholders equity ratio



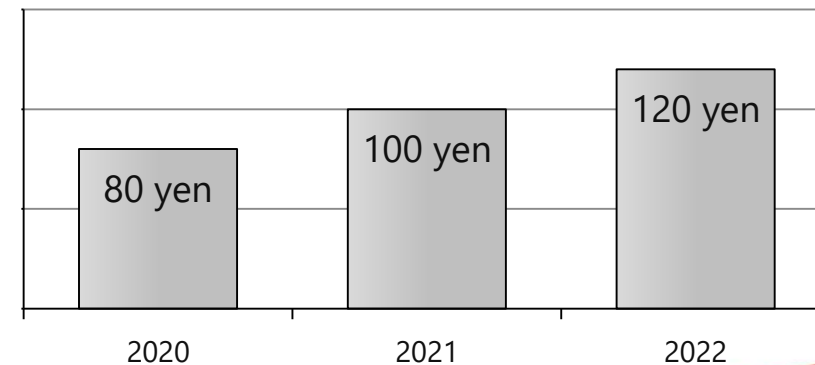
① *Aggressive growth investment while maintaining discipline*

- CapEx: Approx. 240.0 billion yen per year (Plan)
- M&A: Complement/strengthen assortment of businesses

② *Stable and active return to shareholders*

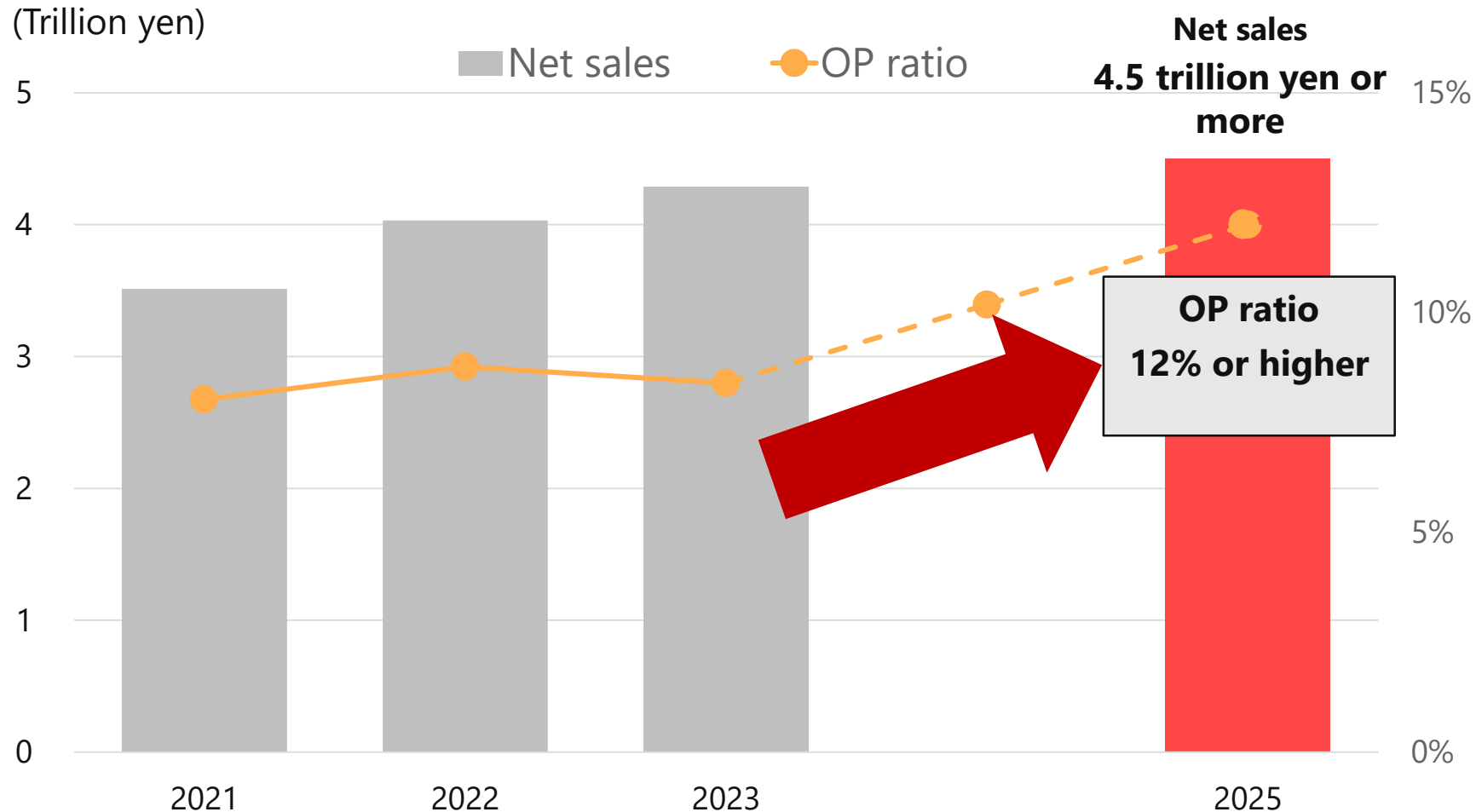
Dividend payout ratio of up to 50%

Dividend per share



Summary

Canon reborn through business portfolio transformation Responding to rapid changes in society and achieving growth



2025 Targets

- Net sales:**
4.5 trillion yen or more
- OP ratio:**
12% or higher
- Net income ratio:**
8% or higher
- Stockholders equity ratio:**
65% or higher

FX USD=105 yen EUR=120 yen