

January 21, 2010

Canon Inc.

Notice Regarding Changes to Reportable Segments

Certain foreign private issuers, including Canon Inc., have been exempted from the segment disclosure requirements of Accounting Standards Codification (ASC) 280, “Segment Reporting” in filings with the U.S. Securities and Exchange Commission (SEC) under the Securities Act of 1934, and the Company has not presented segment information required to be disclosed in accordance with ASC 280. Alternatively, previous segment information has been presented in accordance with accounting standards generally accepted in Japan. However, in September 2008, the SEC issued its “Foreign Issuer Reporting Enhancements” (FIRE) rule. The FIRE rule eliminates an instruction to the Form 20-F that permitted certain foreign private issuers to omit segment disclosures required by ASC 280, as well as other enhancements. This aspect of the FIRE rule regarding elimination of ability to omit segment disclosures is effective for fiscal years ended on or after December 15, 2009.

As a result of the FIRE rule, and after considering the benefits from a business management perspective of aligning its internal and external reportable segments beginning in fiscal year 2009, which will be reported on January 27, 2010, the Company will make changes to its segment disclosures as discussed below.

As a result of the changes, the Company’s reportable segments will be aligned with its internal reporting segments, which are based on its internal organizational structure.

Beginning in fiscal year 2009, and applied retrospectively to all periods presented, the Company will disclose its new segment information in such material as the “Kessan tanshin,” “Annual Report,” and “Yukashoken Hokokusho.”

Previous Segment		Main businesses	New Segment	Main businesses
Business Machines	Office Imaging Products	B/W Copiers Color Copiers Others(SOHO/Solutions)	Office	B/W Copiers Color Copiers Other printing devices (Laser Printers /LF printers/SOHO) Others (Solution etc)
	Computer Peripherals	Laser Printers Inkjet Printers Other(Scanners etc)		
	Business Information Products	(Computers, calculator)		
Cameras		Lenses and others Digital cameras Video cameras	Consumer	Cameras(Digital cameras / Lenses and others) Inkjet printers Others(Video cameras /Broadcasting equipment etc )
Optical and Other Products		Steppers Others (LF printers /Broadcasting equipment etc)	Industry and Others	Steppers Others(Business Information products etc)