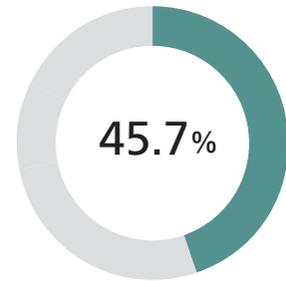


AT A GLANCE

OFFICE BUSINESS UNIT

Composition of Sales (%)



Office multifunction devices (MFDs)



Laser multifunction printers (MFPs)

Main Products

- Office multifunction devices (MFDs)
- Laser multifunction printers (MFPs)
- Laser printers
- Digital production printing systems
- High speed continuous feed printers
- Wide-format printers
- Document solutions



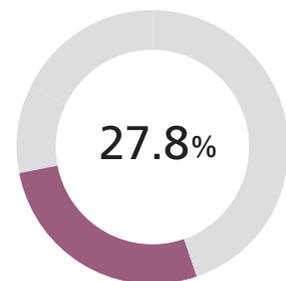
Digital production printing systems



High speed continuous feed printers

IMAGING SYSTEM BUSINESS UNIT

Composition of Sales (%)



Interchangeable-lens digital cameras
—Digital SLR cameras



Interchangeable-lens digital cameras
—Compact-system cameras

Main Products

- Interchangeable-lens digital cameras
- Digital compact cameras
- Digital camcorders
- Digital cinema cameras
- Interchangeable lenses
- Compact photo printers
- Inkjet printers
- Large format inkjet printers
- Commercial photo printers
- Image scanners
- Multimedia projectors
- Broadcast equipment
- Calculators

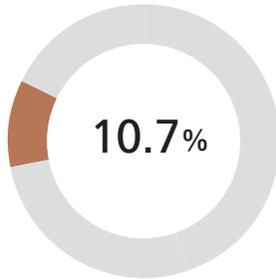


Inkjet printers



Large format inkjet printers

Composition of Sales (%)



Main Products

- Diagnostic X-ray systems
- Computed tomography
- Magnetic resonance imaging
- Diagnostic ultrasound systems
- Clinical chemistry analyzers
- Digital radiography systems
- Ophthalmic equipment

MEDICAL SYSTEM BUSINESS UNIT



Computed tomography



Magnetic resonance imaging

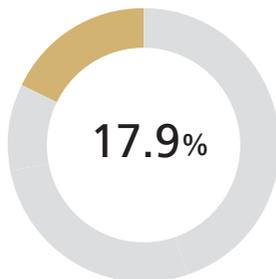


Diagnostic ultrasound systems



Digital radiography systems

Composition of Sales (%)



Main Products

- Semiconductor lithography equipment
- FPD (Flat panel display) lithography equipment
- Vacuum thin-film deposition equipment
- Organic LED (OLED) panel manufacturing equipment
- Die bonders
- Micromotors
- Network cameras
- Handy terminals
- Document scanners

INDUSTRY AND OTHERS
BUSINESS UNIT

Semiconductor lithography equipment



FPD (Flat panel display) lithography equipment



Organic LED (OLED) panel manufacturing equipment



Network cameras

Note: The percentage figures for the four business units presented in the pie charts above do not add up to 100% because "Eliminations," recorded in consolidation accounting, were not included in calculation considerations.

RESEARCH & DEVELOPMENT



A



B

2017 Top Ten U.S. Patent Holders by Company

IBM*	9,043
Samsung Electronics	5,837
CANON	3,285
Intel	3,023
LG Electronics	2,701
Qualcomm	2,628
Google	2,457
Microsoft Technology Licensing	2,441
Taiwan Semiconductor Manufacturing	2,425
Samsung Display	2,273

*IBM is an abbreviation for International Business Machines Corporation.

Source
Preliminary data released by IFI CLAIMS Patent Services, a U.S. research company specialized in patent information.

A. Our photoacoustic tomography (“PAT”), which can capture 3-D images of blood vessels in a human hand, for example, is expected to be applied to diagnostic imaging. Clinical research for PAT technology is currently being carried out in collaboration with Kyoto University and Keio University. (Kyoto University, Japan)

B. CE-SAT-I, a microsatellite developed by Canon Electronics, was loaded on a rocket launched by the Indian Space Research Organization (“ISRO”). (Satish Dhawan Space Center, India)

Canon is engaged in efforts to discover new technologies that will help create future businesses

R&D Expenses and Patents

Canon is bolstering R&D activities to enable the ongoing development of innovative products and services. In the year under review, R&D expenses amounted to ¥330.1 billion, up 9.2%, or ¥27.7 billion, from the previous year. The ratio of R&D expenses to net sales was 8.1%.

This focus on R&D activities has cemented Canon's high status in the field of intellectual property. In 2017, Canon was granted 3,285 patents in the United States, ranking it third in the world and the top ranked Japanese company for a thirteenth consecutive year.

Initiatives to Establish New Businesses

Canon has a long-term perspective as it concentrates its efforts on discovering new technologies for the future.

CMOS Sensors

Canon is conducting in-house development and production of CMOS sensors, a key device in interchangeable-lens digital cameras. We are developing our proprietary ultra-high-resolution 250 megapixel CMOS sensors that make it possible to capture images of the lettering printed on the body of an airplane roughly 18 kilometers away and ultra-high-sensitivity 35 mm full-frame CMOS sensors capable of capturing vivid images in color even in extreme low-light conditions. We anticipate various applications for security, dashboard cameras, healthcare and space observation. We are also developing global shutter-equipped CMOS sensor that can capture distortion-free images even when shooting fast-moving objects. We are putting in place a system for external sales to industrial fields.

Photoacoustic Tomography

Canon participates in the Impulsing Paradigm Change through Disruptive Technologies ("ImPACT") Program organized by the Cabinet Office of Japan. We are working on research in photoacoustic tomography ("PAT") that can capture 3-D images of

blood vessels using a pulse laser and ultrasonic sensors, without the use of X-rays or contrast agents. In the healthcare field, where further growth is expected, TMSC was welcomed into the Canon Group in 2016. In addition to introducing Canon's advanced production technologies, including precision design and microfabrication technologies, to the new company, we will use our original high-speed X-ray imaging sensors and new technologies such as PAT to develop highly innovative next-generation medical equipment.

Free Viewpoint Video System

Canon is developing its Free Viewpoint Video System, a new visual solution that incorporates the optical and sensor technologies cultivated by the Company over many years. The system comprises several high-resolution cameras set up around a stadium, which are connected to a network and controlled via software to capture a game from multiple viewpoints. The video is rendered as high-resolution 3-D spatial data. By achieving a new video experience that gives users a sense that they are really at a sporting event, etc., Canon is expanding the boundaries of visual expression and contributing to the development of video culture.

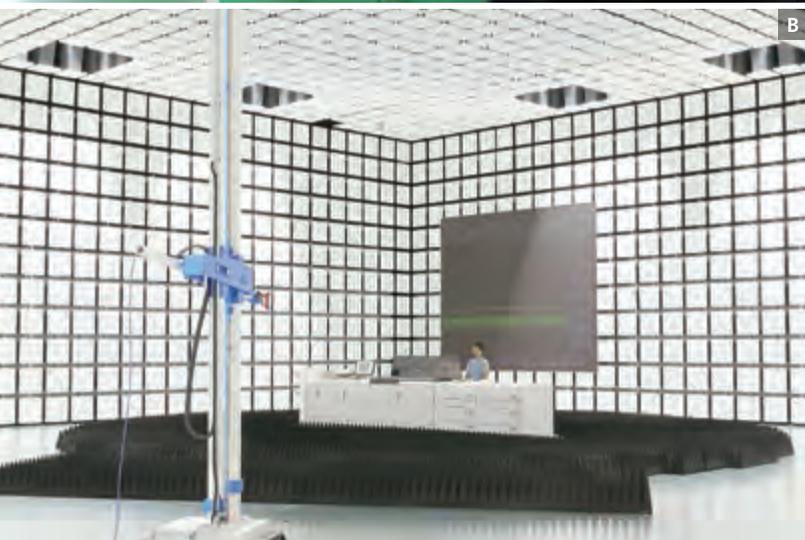
Space Exploration

Canon is also conducting proprietary development in fields related to space exploration. As a participant in the Thirty Meter Telescope ("TMT") project to build an extremely large telescope in Hawaii, Canon is involved in processing of the primary mirror, which demands an exceptional level of precision. Meanwhile, Canon Electronics has used its technologies originally cultivated for cameras and printers to develop a proprietary microsatellite, which was mounted on a rocket launched by the Indian Space Research Organization ("ISRO") in 2017. Images captured by the camera attached to the microsatellite are expected to provide valuable information in a wide range of areas including agriculture and disaster response.

PRODUCTION



A



B



C

A. In inkjet printer production, Canon seeks to raise the bar in high-quality product manufacturing while striving to improve production efficiency. (Canon Hi-Tech (Thailand), Thailand) **B.** With one of the largest semi-anechoic chambers in Japan, Canon conducts certification testing on large-scale products such as commercial printing systems using in-house facilities. (Tamagawa Office, Canon Inc., Japan) **C.** At Japan's National Skills Competition in 2017, our technicians entered the Mechatronics category. Canon has won prizes in this technical contest for thirteen successive years since 2005.

Canon aims to establish a new production system that achieves a cost-of-sales ratio of 45% through the evolution of our manufacturing capabilities

Globally Optimized Production

Canon has established a globally optimized production system in which we determine production locations based on a comprehensive analysis of costs, taxes, logistics, procurement, labor and other factors. In Japan, we are promoting automation technology in order to increase production. In the United States and Europe, we are accelerating the localized production of consumables. And in labor intensive manufacturing sites, we are boosting productivity by honing our employees' skills. We aim to maximize the strengths of each region to produce high-quality products.

Automation and In-house Production

Seeking to produce original products, Canon actively promotes in-house production of key devices and components such as CMOS sensors, manufacturing equipment such as automated assembly machines and high-precision processing machines, as well as molding dies. To produce high-quality products at efficient costs, we strive to maintain highly reliable automated production lines. We have been introducing fully automated production for toner cartridges. Now we are pursuing full automation for the manufacturing of our cameras, too. In 2016, we established the Techno Wing R&D facility at Oita Canon, as a hub for pursuing superior manufacturing and product technologies. Our aim is to fully automate manufacturing of digital cameras.

Furthermore, Miyazaki Canon has decided to establish a new production site for digital cameras, which is scheduled to begin operations in 2019. By applying the full-automation technology developed at the Techno Wing to the new facility in Miyazaki and other production sites, we aim to establish a highly efficient manufacturing system.

Human Resources for Manufacturing

Canon provides human resource training to nurture the skills of employees at our production sites worldwide. Our programs teach manufacturing techniques and craftsmanship—including hands-on practice—and educate employees with leadership potential in Canon management methods. To hone the technical skills of our employees in Japan, we participate in Japan's National Skills Competition. The spirit of challenge that we cultivate through such activities can be found at Canon manufacturing sites around the world.

To advance our manufacturing, Canon honors our most skilled technicians. At our factories worldwide, we recognize employees who have contributed to Canon production through their skills and knowledge of assembly and component processing. These employees are awarded the title Meister. Employees who display transcendent skills earn the title Master Craftsman.

Environmentally Friendly Manufacturing; Enhanced Product Quality

From product design and development, to production, logistics, product use and recycling, throughout the product's lifecycle in all areas of our business, Canon is engaged in manufacturing initiatives that are friendly to the global environment and minimize environmental impact.

Canon has established a quality management system that combines the requirements of ISO9001, an international quality management standard, with work mechanisms unique to Canon to ensure that our products are safe, can be enjoyed with peace of mind, and provide satisfaction to our customers. In addition to thoroughly implementing operations in accordance with quality standards, certifications, and related laws and regulations of various countries around the world, we carry out strict evaluations using cutting-edge testing facilities that are at the forefront of the industry.

SALES & MARKETING



A



B



C

A. The Océ Colorado 1640 printer, built on Canon UV gel technology, proved to be one of the star digital innovations of the FESPA 2017, pulling in large crowds to hourly demonstrations. **B.** The recently established “Professional Technology & Support Center” in Burbank provides comprehensive support services for video production equipment professionals. **C.** Activity exhibited at industry events with an eye to expand B2B business. Canon China displayed at a business exhibition for government institutions in Beijing.

Accelerating growth in commercial printing, network cameras, healthcare and industrial equipment as key drivers of Canon's next-generation business

Japan

Sales in Japan amounted to ¥884.8 billion, or 21.7% of consolidated net sales.

Performance was strong for products including hardware such as MFPs, consumables, and IT solutions as capital investment by companies in Japan picked up. In the security business, sales of surveillance cameras, software and other products continued to increase. In industrial equipment, sales and service of equipment for semiconductor manufacturers were favorable, backed by brisk investment by customers. Regarding products for consumers, while sales of mirrorless cameras were up, sales of inkjet printers declined due to a shrinking market.

The Americas

Sales in the Americas amounted to ¥1,107.5 billion, or 27.1% of consolidated net sales.

In the office equipment market, we reinforced our sales network by developing a system that can better support and manage our approximately 400 dealers across the Americas. We also brought together our comprehensive support and services for professional video-production equipment at a strategic hub in Burbank, California, near Hollywood. We also began offering our "Next Day" repair services for professional photographers, the first initiative of its kind for the industry, and it was met with a favorable response.

Europe (Europe, Middle East, Africa)

Sales in Europe amounted to ¥1,028.4 billion, or 25.2% of consolidated net sales.

Canon in EMEA maintained their leading position in Imaging System thanks to solid sales of interchangeable-lens cameras. Additionally, through strategic acquisitions, we strengthened the imaging ecosystem for consumers. In the B2B area, we enhanced business through the launch of a new wide-format

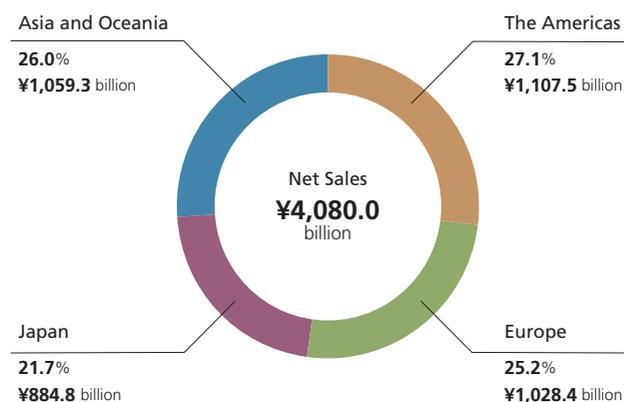
printer for the signage and graphics industry. To further expand operations in emerging markets, a new innovation centre was opened in Dubai to help foster local talent and business. We continued structural reform efforts and also made a lot of progress in furthering our customer-centric approach.

Asia and Oceania

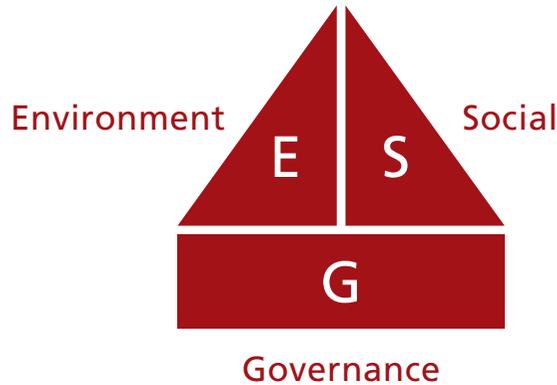
Sales in Asia and Oceania amounted to ¥1,059.3 billion, or 26.0% of consolidated net sales.

As an Asia-wide initiative, we are promoting expansion of B2B business with the launch of a project aimed at strengthening the sales and brand of copiers and commercial printers. Six of our sales companies in Asia marked anniversaries in 2017, including the 20th anniversary of Canon China and the 45th anniversary of Canon Hongkong. Commemorative events and sales promotion activities were held in many areas. The efforts contributed to an increase in sales in the Asia region. In Oceania, Harbour IT and Converga, which have recently joined the Canon Group, conducted cross-selling to approach each other's customers.

Composition of Sales by Region



ESG



In recent years, the ethical role of corporations has increased in importance amid wide-ranging societal expectations and responsibilities. Canon adopted kyosei as its corporate philosophy in 1988, and since then we have worked to fulfill our responsibilities to society and build solid relationships not only with our customers and business partners, but also with countries, communities, nature, and the global environment. The approach we take with our corporate philosophy harmonizes

with the ideals laid out in the Sustainable Development Goals (“SDGs”) adopted by the United Nations in 2015. As members of society, high expectations are being placed on corporations. Accordingly, we will contribute to society by leveraging our technological capabilities to create new value, resolve social issues, and engage in activities to preserve and protect the global environment, while continuing to be a company that always gives due consideration to people and society.

Environment:

Canon's Approach

Based on the Canon Environmental Vision, Canon is working to reduce environmental burden throughout the entire product lifecycle, from procurement of raw materials and parts to collection and recycling of used products, in an effort to realize a society that promotes both enriched lifestyles and the global environment.

Key Activities

- Contributing to a Low-Carbon Society
- Contributing to a Circular Economy
- Eliminating Hazardous Substances and Preventing Pollution
- Contributing to a Society in Harmony with Nature

Social:

Canon's Approach

Canon makes sincere efforts to engage in corporate social responsibilities, including product safety, human rights, labor management, and accountable procurement activities. In addition, as a good corporate citizen, we promote efforts such as disaster relief and support for culture, and also work to resolve social issues through our technology and business activities.

Key Activities

- Promoting Diversity
- Addressing the Issue of Conflict Minerals
- Supporting Art and Culture

Governance:

Canon's Approach

Canon maintains sound corporate governance as part of efforts to maximize its shareholders' value and become a truly excellent global corporation.

Key Activities

- Board of Directors, Audit & Supervisory Board, Non-statutory Committees
- Constructive Dialogue with Shareholders

For details, please refer to the Canon Sustainability Report. <http://global.canon/en/csr/report/index.html>

ENVIRONMENT



Canon is implementing the Canon Bird Branch Project, which examines the cycle of life by focusing on birds as a symbol of the ecosystem pyramid. The Shimomaruko Forest, a lush expanse of green space occupying about 30% of Canon's headquarters site in Tokyo, plays host to bird watching parties, research studies, and ecosystem monitoring events as part of this project.

Canon's Toride Plant, Susono Plant, and Kawasaki Office, as well as Oita Canon's Oita Plant and Canon Research Centre France are also engaged in these efforts, expanding the activities globally.

Canon is working towards the goal of achieving a 3%-per-year improvement in lifecycle CO₂ emissions per product. From 2008 to 2017, we have achieved an average improvement of around 5% per year.

Contributing to a Low-Carbon Society

Canon has been promoting improvements in CO₂ efficiency at all stages of the product lifecycle: manufacture of raw materials and parts, operational site activities, logistics and customer use of products.

Contributing to a Circular Economy

In order to achieve more efficient use of resources, Canon pursues advanced resource circulation through product-to-product recycling, and is carrying out remanufacturing of multifunction devices and closed-loop recycling of toner cartridges. We are also actively promoting initiatives such as designing more compact products.

Eliminating Hazardous Substances and Preventing Pollution

Canon strictly manages chemical substances in products in line with Canon Green Procurement Standards, as well as those used in manufacturing processes. Additionally, we make proactive contributions to the establishment of international frameworks for the appropriate management of chemical substances in the supply chain.

Contributing to a Society in Harmony with Nature

Based on the Canon Biodiversity Policy, Canon is promoting conservation and protection activities around the world. One such activity is the Canon Bird Branch Project, which encourages consideration of "the Cycle of Life" by focusing on birds as a symbol of the top of the local ecosystem pyramid.

SOCIAL



The Tsuzuri Project has been creating high-resolution reproductions such as “Tatars Playing Polo and Hunting” attributed to Kano Soshu (photo, top) and “Landscape of the Four Seasons” by Shikibu Terutada. The two original pieces have been stored at the Asian Art Museum of San Francisco, and with the museum’s cooperation, the reproductions were finished and donated to the Kyoto National Museum in June 2017. The Project brings high-resolution facsimiles of Japanese cultural assets, that have been sent overseas, back to Japan and it donates reproductions to art museums, shrines, and temples, where they are displayed to the public, and at schools as living educational aids for teaching history. In such ways, the Project provides people with opportunities to experience Japan’s outstanding art and culture firsthand.

Promoting Diversity

Canon is committed to diversity of human resources. We welcome people of all types—irrespective of race, gender, age, customs, and value perceptions—and deploy such differences to foster our growth as an organization. Since 2012, we have engaged in in-house projects fostering diversity. In 2017, Canon held meetings with Group company presidents at 24 Group companies in Japan organized by the VIVID diversity promotion program, where they promoted activities to enable more active roles for women in the workplace Group-wide.

Addressing the Issue of Conflict Minerals

Seeking to ensure that customers can use Canon products with peace of mind, Canon conducts inquiries into conflict minerals every year and discloses its findings to the U.S. Securities and Exchange Commission and publishes them

on the Company’s website. Canon is a member of the Responsible Minerals Initiative (“RMI”), an international program that plays a leading role in response to the issue of conflict minerals, and continues to support industry activities.

Supporting the Arts and Culture

As a company that contributes to the development of visual culture, Canon engages in activities to foster the richness of human feelings and emotions. In 2007, Canon and the Kyoto Culture Association (“NPO”) launched the Tsuzuri Project (officially known as the Cultural Heritage Inheritance Project). This initiative combines Canon’s latest digital technologies with traditional Japanese craft techniques to create high-resolution reproductions of Japanese cultural assets and use them effectively. As of March 2018, 35 works have been donated.

GOVERNANCE



At a monthly company-wide meeting of executive officers, the CEO provides updates on earnings progress and important matters to implement in the future as a way to share crucial information.

Fundamental Policy

In order to establish a sound corporate governance structure and continuously raise corporate value, Canon believes that it is essential to improve management transparency and strengthen management supervising functions. At the same time, a sense of ethics and mission held by each executive and employee of Canon is very important in order to achieve continuous corporate growth and development. Details of Canon Inc.'s corporate governance structure are available on the Company's official website under "an overview of Corporate Governance at Canon Inc." (<http://global.canon/en/ir/strategies/governance.html>).

Governance Structure

Fundamental Policy

The Company is globally expanding its businesses in various

business fields, including office equipment, consumer products, medical equipment, and industrial equipment, and aims to aggressively expand into new business fields in the future. In order to make prompt decisions in each business field, and make important decisions for the entire Canon Group or matters that straddle several business fields from a company-wide perspective and at the same time secure appropriate decision making and execution of operation, the Company judges the corporate governance structure below to be effective.

Board of Directors

While the focus of the organizational structure of the Board of Directors is on Representative Directors that oversee Company-wide business strategies or execution such as the CEO, COO, CFO, CTO, and Representative Directors or Executive Directors that oversee multiple business fields or headquarters functions, in order to secure sound management, two or more Independent

GOVERNANCE

Outside Directors are appointed. The Board of Directors, in accordance with laws and regulations, makes important decisions and supervises the execution of duties by officers.

Except for the above, the CEO and other Representative Directors are active in decision making and execution, and under the command and supervision of the Representative Directors, Executive Officers that are elected through resolution of the Board of Directors make decisions and execute operations of each business field or function.

The Board of Directors consists of seven members, five Representative Directors from inside Canon and two Outside Directors that qualify as Independent Directors*. As of April 1, 2018, there will be 36 Executive Officers, including two females and one non-Japanese.

* Independent directors: Stock exchanges in Japan require listed companies to appoint outside directors and/or outside Audit & Supervisory Board members and to report their name. Outside directors and Audit & Supervisory Board members should have no possible conflict of interests with regular shareholders. People related to the parent company or major business partners, consultants who receive large remunerations from the company, and their close relatives cannot be selected as independent directors.

Audit & Supervisory Board

As a body which is in charge of the audit of operations, under the principles of autonomy, which is independent from the Board of Directors, the Company has full-time Audit & Supervisory Board Members that are familiar with the Company's businesses or its management structure, and

Independent Outside Audit & Supervisory Board Members that have extensive knowledge in specialized areas such as law, finance and accounting. The Audit & Supervisory Board, which is composed of these individuals, cooperates with the Company's accounting auditors and internal audit division, oversees the status of duty execution of operations and corporate assets to secure the soundness of management.

The Audit & Supervisory Board consists of five individuals, three of which are Independent Outside Audit & Supervisory Board Members. In accordance with auditing policies and plans decided at Audit & Supervisory Board meetings, the Audit & Supervisory Board Members attend Board of Directors' meetings, Corporate Strategy Committee meetings, etc., receive reports from directors and employees, review documents related to important decisions, and conduct audits by investigating etc. the situation of businesses and property of the Company and its subsidiaries. In this way, the Audit & Supervisory Board conducts strict audits of directors' execution of duty, including the status of development of the internal control system.

Procedures in the Nomination of Directors etc.

The Company established the "Nomination and Remuneration Advisory Committee," a non-statutory committee, which consists of the CEO, two Independent Outside Directors, and

Directors and Audit & Supervisory Board Members (as of April 1, 2018)

Representative Director
Chairman & CEO

Fujio Mitarai

Representative Director
President & COO

Masaya Maeda

Representative Director
Executive Vice President & CFO

Toshizo Tanaka

Group Executive of Finance & Accounting Headquarters
Group Executive of Public Affairs Headquarters
Group Executive of Facilities Management Headquarters

Representative Director
Executive Vice President &
In charge of Office Business

Toshio Homma

Chief Executive of Office Imaging Products
Operations

Representative Director
Executive Vice President & CTO

Shigeyuki Matsumoto

Group Executive of R&D Headquarters

Directors

Kunitaro Saida (Outside)
Attorney

Haruhiko Kato (Outside)
President & CEO
of Japan Securities Depository Center,
Incorporated

Audit & Supervisory Board Members

Kazuto Ono
Masaaki Nakamura
Tadashi Ohe (Outside)
Hiroshi Yoshida (Outside)
Koichi Kashimoto (Outside)

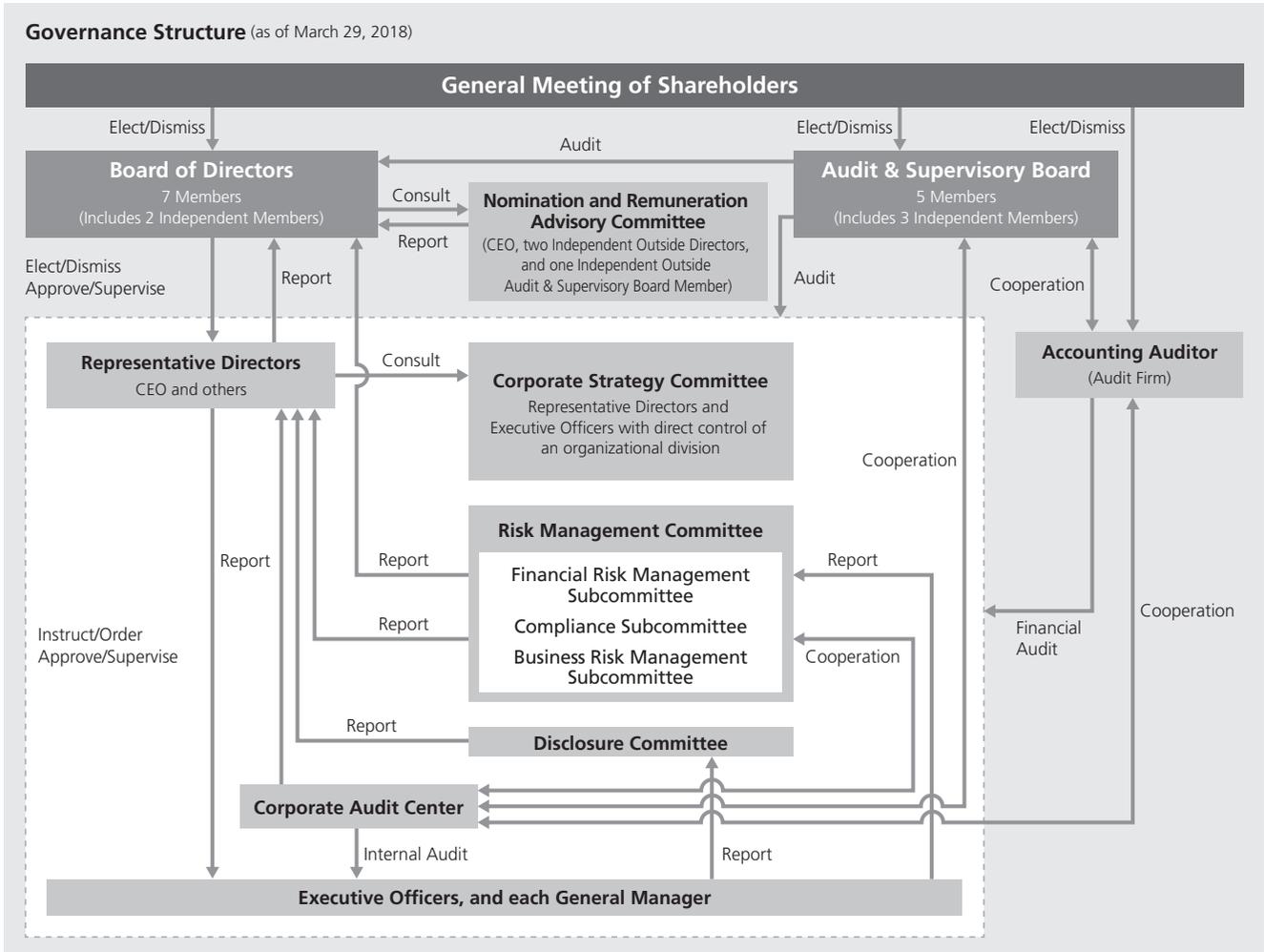
Note: Although this annual report is for FY2017, the above list of Directors and Audit & Supervisory Board members is as of April 1, 2018.

one Independent Outside Audit & Supervisory Board Member. At the time Director and Audit & Supervisory Board Member candidates are nominated and Executive Officers are selected (includes the selection of the successor of chief executive officer), the CEO recommends candidates thereof from among individuals that have been recognized as having met the prescribed requirements, and the Committee checks the fairness and validity of such recommendation prior to submission to and deliberation by the Board of Directors. Additionally, as for Audit & Supervisory Board Member candidates, prior to deliberation of the Board of Directors, consent of the Audit & Supervisory Board shall be acquired.

Corporate Strategy Committee, Risk Management Committee, and Disclosure Committee

The Company established the Corporate Strategy Committee, consisting of Representative Directors and some Executive Officers. Among items to be decided by the CEO, the Committee undertakes prior deliberations on important matters pertaining to Canon Group strategies. Outside Directors and Audit & Supervisory Board Members attend Corporate Strategy Committee meetings and are able to express their own opinions.

Based on a resolution passed by the Board of Directors, Canon set up the Risk Management Committee, which



GOVERNANCE

formulates policy and action proposals regarding improvement of the Canon Group risk management system. The Risk Management Committee consists of three entities: the Financial Risk Management Subcommittee, which is tasked with improving systems to ensure reliability of financial reporting; the Compliance Subcommittee, which is tasked with promoting corporate ethics and improving legal compliance systems; and the Business Risk Management Subcommittee, which is charged with improving systems to manage overall business risks, including risks related to product quality and information leak.

The Risk Management Committee verifies the risk management system's improvement and implementation and reports the status to the CEO and the Board of Directors.

In addition, the Disclosure Committee was established to undertake deliberations pertaining to information disclosure, including content and timing, to ensure important corporate information will be disclosed in a timely and accurate manner.

Internal Audit Division

The Corporate Audit Center, the Company's internal auditing arm, as an independent and specialized organization and in accordance with internal audit rules, conducts audits and evaluations and provides guidance on such matters as compliance with laws and the internal control system. Furthermore, the Corporate Audit Center is primarily responsible for audits covering such areas as quality, the environment, and information security, and conducts them in collaboration with the divisions in charge. Additionally, based on senior executive management policy, for all work processes, audits must be conducted from a specialized viewpoint and there are plans to increase the number of members from the current 70 to strengthen auditing functions.

Constructive Dialogue with Shareholders

Policy

For sustainable growth and to help improve corporate value over a mid- to long-term perspective, Canon has constructive

dialogue with shareholders through an ordinary general meeting of shareholders, corporate strategy conferences, financial results conferences, and interviews with major institutional investors.

The Structure to Promote Dialogue

Finance & accounting (Investor Relations ("IR")), legal affairs, corporate communications are responsible for working together and promoting dialogue. The Executive Vice President & CFO oversees the entire structure to promote dialogue.

For analysts and institutional investors, the CEO hosts a corporate strategy conference at the beginning of the year. Other than this, the CFO hosts quarterly financial results conferences. For individual investors, conferences are held when appropriate and on Canon's official website, specific pages containing information about corporate strategy, financial results, and financial data etc. have been set up using descriptions that are easy to understand.

Additionally, Canon works for dialogue with domestic and overseas analysts and institutional investors, arranging interview opportunities appropriately. For detail, see "an overview of Corporate Governance at Canon Inc."

As for the opinions or demands that are obtained through dialogue with shareholders, accordingly, the department in charge reports to the CFO and the CFO will report important ones to the CEO or the Board of Directors.

Controlling Insider Information

Canon has set the "Rules on Prevention of Insider Trading," which makes thorough control of undisclosed material information and provides the procedure of information disclosure.