

Canon Inc.
Chairman & CEO: Fujio Mitarai
Securities code: 7751
[Tokyo (First section) and other Stock Exchanges]

Inquiries:
Masahiro Osawa
Managing Director, Group Executive,
Finance & Accounting Headquarters
+81-3-3758-2111

Canon Inc. to Acquire Own Shares

(Under the provisions of its Articles of Incorporation
pursuant to paragraph 2, Article 165, of the Corporation Law of Japan)

With the resolution of the Board of Directors as of August 23, 2007, Canon Inc. (the Company) will acquire its own shares under Article 156, as applied pursuant to paragraph 3, Article 165, of the Corporation Law, as follows.

1. Reason for acquisition of own shares

The Company decided to acquire its own shares with the aim of improving capital efficiency and ensuring a flexible capital strategy that provides for such future transactions as share exchanges.

2. Details of acquisition

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| 1. Type of shares to be acquired: | Shares of common stock |
| 2. Total number of shares to be acquired: | Up to 23 million shares
(Equivalent to 1.7% of outstanding shares) |
| 3. Total cost of acquisition: | Up to 100 billion yen |
| 4. Period of acquisition: | From August 24, 2007 to September 25, 2007 |

(Reference) Possession of treasury stock as of August 21, 2007

Number of outstanding shares (Excluding treasury stock)	1,284,520,702 shares
Number of treasury stock	49,115,508 shares