

February 25, 2010

Canon Marketing Japan Inc.

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Notice of Reorganization of ITS Business Companies of Canon Marketing Japan Group

Canon Marketing Japan (the “Company”) is pleased to announce that a meeting of the Board of Directors of Canon IT Solutions Inc. (hereinafter called “Canon ITS”), a consolidated subsidiary of the Company today adopted a resolution to establish an intermediate holding company named “Canon MJ IT Group Holdings Inc.” (“Canon MJ-ITHD”), through a share transfer. Centering on this intermediate holding company, the Canon Marketing Japan Group is planning to continue to reorganize the IT solution business companies within the Group. Details are as follows:

1. Purpose of Establishing the Intermediate Holding Company

The Canon Marketing Japan Group has been striving to reinforce its competitiveness and improve the quality of its service, to develop and strengthen its IT solution business as a core business of the Group and establish its brand in the IT service industry. Moreover, the Group believes that continuing to strengthen its consolidated management base and pursuing efficiency are essential for building a firm position and presence in a rapidly changing business environment and amid fierce competition in the IT service industry in Japan.

As part of these initiatives, the Company decided to conduct a share swap with Canon Software Inc. to transform the company into a wholly owned subsidiary. This was announced on January 26, 2010. The Company believes that the share exchange will enable the Canon Marketing Japan Group to more quickly build its IT solution business into a core business and offer a higher quality of service to customers.

Meanwhile, the Canon Marketing Japan Group has been rapidly expanding its IT solution business through M&A and investments in companies with outstanding solutions capabilities. These activities have made the Group’s management system and income structure in the IT solutions business more complicated.

With the execution of the share transfer, the Canon Marketing Japan Group will make the scale of its IT solutions business as well as the income structure and executive powers over management. These measures will enable the Group to develop and execute an optimal strategy covering all Group companies, including greater synergies in the Group and agile management.

## 2. Outline of the Share Transfer

### (1) Schedule for the share transfer

February 25, 2010: The Board of Directors adopts a resolution to transfer the shares  
March 24, 2010: Shareholders' meeting adopts a resolution on share transfer  
April 1, 2010: Establishment of an intermediate holding company registered (effective date of share transfer)

### (2) Share transfer ratio

	Canon MJ IT Holdings Inc.	Canon IT Solutions Inc.
Share transfer ratio	1	1

#### 1) Share allocation ratio

For one share of Canon ITS, one share of Canon MJ-ITHD will be allocated and distributed.

#### 2) Basis of the calculation of the share transfer ratio

In this share transfer, Canon ITS will solely establish a wholly owned parent company by transferring its shares. No change will take place to the shareholder composition of Canon ITS and the shareholder composition of Canon MJ-ITHD with the share transfer. Hence, for one share of Canon ITS, one share of Canon MJ-ITHD will be allocated.

3) Results of calculation by third party, calculation method, and grounds for calculation  
No third-party institution will calculate the share transfer ratio for the reason mentioned in 2) above.

## 3. Outline of Canon IT Solutions Inc.

(1) Trade Name	Canon IT Solutions Inc.
(2) Description of Business	SI, consultation, and the development and sale of various types of software
(3) Date of Incorporation	July 1982
(4) Head Office	Mita 3-11-28, Minato-ku, Tokyo, Japan
(5) Name and Title of Representative	Takashi Takei, President & CEO * Kazunori Asada will take office as President and CEO at the shareholders' meeting to be held on March 24, 2010 and the subsequent Board of Directors' meeting.
(6) Paid-in Capital	3,617 million yen
(7) Shares Issued	1,293,804 shares
(8) Net assets (consolidated)	24,473 million yen (as of December 31, 2009)
(9) Total assets (consolidated)	37,296 million yen (as of December 31, 2009)
(10) Fiscal Year End	December

(11) Number of Employees (consolidated)	4,072 employees (as of December 31, 2009)
(12) Present Shareholder	Canon Marketing Japan Inc. (100%)

#### 4. Outline of Canon MJ IT Group Holdings Inc.

(1) Trade Name	Canon MJ IT Group Holdings Inc.
(2) Description of Business	Control and management of business operations of IT solution group companies
(3) Head Office	Konan 2-16-6, Minato-ku, Tokyo, Japan
(4) Name and Title of Representative	Kazunori Asada, President
(5) Officers	Akihisa Kamimori, Executive Director Masami Kawasaki, Director Koji Ashizawa, Director Toshiyuki Sanematsu, Director Masahiro Sakata, Director Kiyochika Ota, Director Yo Shibasaki, Corporate Auditor Toshio Matsumoto, Corporate Auditor
(6) Paid-in Capital	100 million yen
(7) Number of Shares to Issue	1,293,804 shares
(8) Fiscal Year End	December
(9) Shareholder	Canon Marketing Japan Inc. (100%)

#### 5. Impact on Business Performance

Since Canon ITS is a consolidated subsidiary of the Company, the impact from this share transfer on the consolidated and non-consolidated results of the Company will be minor and negligible.

#### 6. Future Schedule

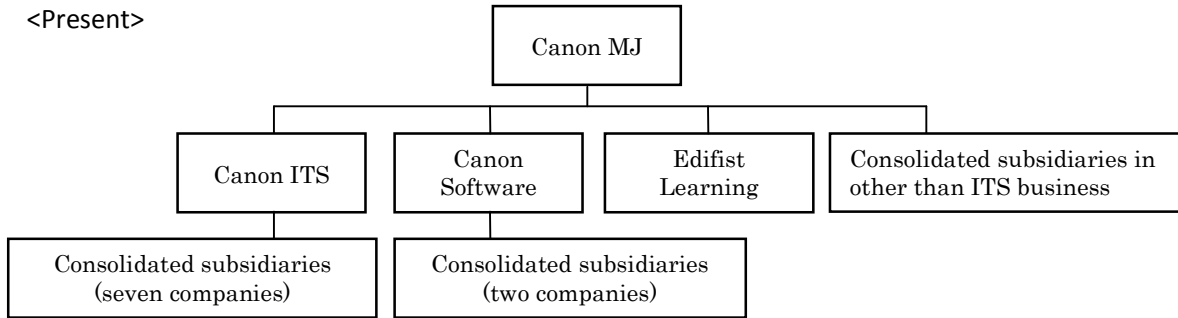
Following the establishment of the intermediate holding company Canon MJ- ITHD, the Company is planning to reorganize the companies within the Group by, for example, transforming Canon Software Inc. and Edifist Learning Inc., its consolidated subsidiaries, into consolidated subsidiaries of Canon MJ- ITHD on or around July 1, 2010.

The reorganization will complete the transformation of all IT solution companies within the Group into Canon MJ-ITHD's consolidated subsidiaries. As a result, Canon MJ-ITHD will have annual sales of more than 100 billion yen and approximately 5,800 employees. Specific methods for the reorganization will be announced as soon as they are decided.

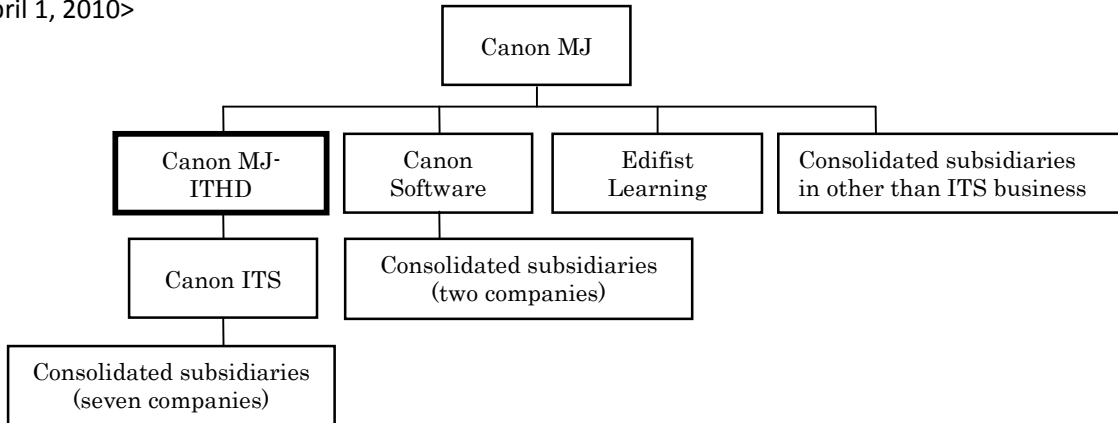
End

(Reference) Image of Reorganization of IT Solution Business Companies in the Group

<Present>



<April 1, 2010>



<July 1, 2010 (planned)>

