

## Canon Expanding.

Contributed by Edward Mendes  
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Canon is expanding their US operations with a new plant in Virginia  
Economy Boost, Canon to Expand U.S. Operations in Virginia

Newport News, Virginia-- May 1, 2008 -- Canon Inc. and Canon U.S.A., Inc. today joined Virginia state and local officials to announce Canon's plans to expand its U.S. operations with new facilities and jobs in the Hampton Roads, Virginia, area.

With the assistance of the Commonwealth of Virginia, Canon is expected to invest more than \$600 million to expand the operations of Canon Virginia Inc., a subsidiary of Canon U.S.A., and create more than 1,000 new jobs.

As part of Canon U.S.A. and Canon Virginia's "Vision for the Future" program, these expansion plans will include the construction of a new 700,000 square foot facility for the manufacturing of cartridges for laser printers that will incorporate Canon's proprietary high-speed, automated technology for cartridge production, and the expansion of its repair and refurbishing facilities for digital consumer products. In addition, Canon plans to create a center for the research and development of automated and robotic manufacturing technologies for the Americas region in Newport News, and to expand its efforts in the recycling and reclaiming of toner cartridges and related materials at its Industrial Resource Technologies, Inc. (IRT) operations in Gloucester County, Virginia.

"Today's announcement symbolizes a significant investment in manufacturing in the U.S.," said Tsuneji Uchida, president and chief operating officer, Canon Inc. "The combination of producing, selling, collecting and recycling cartridges locally, and eliminating the need to transport products around the world, will allow us to have a positive environmental impact by helping to reduce CO2 emissions worldwide. "In addition, Canon's new automated production system will enable the Company to maintain cost competitive manufacturing, better manage labor costs and deliver products in a timely fashion," added Uchida.

Joe Adachi, president and chief executive officer, Canon U.S.A., added, "The U.S. and the Americas are key regions for the growth and success of the Canon brand now and in the future. Canon is committed to continuously increasing and enhancing its operations here in the U.S. to better serve the Americas, as evidenced by today's announcement."

According to Takayoshi Hanagata, president and chief executive officer, Canon Virginia and IRT, "Over the years, we have enjoyed outstanding relationships with Virginia state and local officials. We would like to thank Virginia Governor Timothy Kaine, Newport News Mayor Joe Frank and Chair Teresa Altemus of Gloucester County for their hard work and personal involvement. We greatly appreciate their efforts in helping Canon expand our presence and remain in the region."

"Canon's commitment to build on its 23-year relationship with the Commonwealth underscores the Company's faith in Virginia and our ability to provide a business climate for its continued success," said Virginia Governor Timothy M. Kaine. "We are honored by Canon's presence in Virginia and the many benefits this latest expansion will bring to the Newport News and Gloucester communities."

A cornerstone of this project is the establishment of a partnership between Canon Virginia and a network of workforce development resources throughout Southeastern Virginia to quickly develop a highly skilled, technical and motivated workforce to support the expansion. This alliance, which includes the Virginia Community College System, local schools and the Virginia Department of Business Assistance, among others, will support the development of a Technical Training Academy, designed to equip Canon Virginia's and the IRT's growing workforce with the skills necessary to support advanced manufacturing and product repair operations.

Canon is committed to exploring strategies for collaboration with Virginia's higher education institutions. For example, Canon and Canon Virginia announced a partnership with Christopher Newport University in Newport News to form the Christopher Newport University-Canon Leadership Scholars Program. Beginning in August 2008, the top 25 students chosen to participate in Christopher Newport University's President Leadership Program will become Canon Leadership Scholars, receiving scholarships and presented with opportunities to study aboard and participate in unique leadership programs.

In addition to its investment in the Virginia area, last year, Canon U.S.A. announced that it will be building a new state-of-the-art headquarters for its Americas region in New York over the next several years. Canon U.S.A. began in 1955 with five employees as the New York branch of an up-and-coming camera company. Today, Canon is a global imaging brand leader that every American looks to for consumer and business innovations and technologies. Canon has been part of

the Commonwealth of Virginia for 23 years since Canon Virginia, Inc., was incorporated in 1985.

Canon established the industry's first and longest-running Cartridge Return Program in 1990. Working closely with Canon Virginia, Canon has been able to divert more than 150,000 tons of toner cartridges from landfills, as a result of this program.

Further underscoring its commitment to the environment, all Canon U.S.A. and Canon Virginia facilities have received ISO 14001 Certification under Canon's Global ISO 14001 Certification Initiative. The ISO 14001 Standard is an internationally accepted specification for environmental management systems created by the International Organization for Standardization to help organizations minimize how their operations affect the environment and comply with related laws, regulations and requirements.