

**Summary Report of Consolidated Financial Results
For the Third quarter and the nine months ended September 30, 2008**

Registered Company Name:	Canon Marketing Japan Inc.	Stock Listing:	Tokyo Stock Exchange, First Section
Code No.:	8060	Headquarters:	Tokyo
URL:	http://cweb.canon.jp/co-profile/ir-e		
Representative Director:	Haruo Murase, President and CEO		
Contact:	Masami Kawasaki, Senior Managing Director, Head of Administrative Department	Telephone:	+81-3-6719-9071
U.S. Accounting Standards Applied:	No		

1. Business Performance (From January 1, 2008 to September 30, 2008)

(1) Results of Operations

(Millions of yen truncated to the nearest million, %)

Years ended Dec. 31	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Third quarter 2008	¥ 612,307	(4.4)%	¥ 17,638	(26.6)%	¥ 18,213	(25.3)%
Third quarter 2007	¥ 640,783	+4.0 %	¥ 24,034	+4.3 %	¥ 24,375	+3.1 %
Full term 2007	¥ 905,136		¥ 36,886		¥ 36,895	

Years ended Dec. 31	Net Income	Percentage Change	Net Income per Share (Yen)	Diluted Net Income per Share
Third quarter 2008	¥ 7,772	(42.6)%	¥ 54.12	-
Third quarter 2007	¥ 13,537	+4.4 %	¥ 90.72	-
Full term 2007	¥ 20,033		¥ 134.84	-

(2) Financial Position

(Millions of yen truncated to the nearest million, %)

Years ended Dec. 31	Total Assets	Total Net Assets	Stockholders' Equity Ratio	Stockholders' Equity per Share (Yen)
Third quarter 2008	¥ 478,131	¥ 260,573	53.8%	¥ 1,825.72
Third quarter 2007	¥ 512,728	¥ 268,375	51.3%	¥ 1,785.72
Full term 2007	¥ 526,124	¥ 269,568	50.6%	¥ 1,817.59

(3) Cash Flows

(Millions of yen truncated to the nearest million, %)

Years ended Dec. 31	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Used in Financing Activities	Cash and Cash Equivalents at End of Period
Third quarter 2008	¥ 33,788	¥ (24,739)	¥ (16,699)	¥ 109,529
Third quarter 2007	¥ 39,683	¥ (24,232)	¥ (10,964)	¥ 112,684
Full term 2007	¥ 47,214	¥ (21,911)	¥ (16,344)	¥ 117,206

2. Earnings Outlook (For the fiscal year ended December 31, 2008)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Full term 2008	¥ 840,000	¥ 28,500	¥ 29,000	¥ 12,500	¥ 87.48
% change	(7.2)%	(22.7)%	(21.4)%	(37.6)%	

We changed our Earnings Outlook for the fiscal year ended December 31, 2008 that was announced on July 23, 2008.

3.Note

1. There were no changes in scope of significant subsidiaries.
2. The simple method is adopted in application of standards, such as tax effect accounting and income taxes, etc.
3. There were changes in accounting procedures.

*Percentage changes for net sales, operating income, ordinary income and net income results indicate increases or decreases relative to results for the corresponding period in the previous fiscal year.

Disclaimer:

Projections made in this report are based on information available at the time of publication.
Owing to various factors, actual results may differ from these projections.

Consolidated Balance Sheets

As of September 30, 2008 and 2007

(Millions of yen truncated to the nearest million)

ASSETS	September 30, 2008	September 30, 2007	December 31, 2007
Current assets:			
Cash and cash deposits	¥ 27,447	¥ 111,696	¥ 41,014
Notes and accounts receivable	135,630	161,630	189,551
Short-term investments in securities	87,392	11,208	86,491
Inventories	40,600	50,250	37,691
Deferred tax assets	4,856	5,871	6,056
Short-term loans receivable	20,001	-	7
Other current assets	6,686	6,670	8,151
Allowance for doubtful accounts	(422)	(220)	(310)
	322,193	347,108	368,653
Property and equipment:			
Buildings and structures	44,573	46,137	45,492
Machinery and vehicles	34	60	54
Furniture and fixtures	4,693	5,177	5,011
Rental assets	7,737	7,607	7,236
Land	41,801	41,865	41,865
	155,938	165,620	157,471
Intangible assets:			
Goodwill	3,128	3,522	3,772
Software	13,094	8,953	9,396
Utilization rights	390	393	393
Other intangible assets	40	45	44
	16,653	12,915	13,606
Investments and other assets:			
Investment in securities	7,578	19,707	12,369
Long-term loans receivable	27	34	29
Deferred tax assets	19,610	19,657	19,262
Lease deposits	9,118	8,370	8,627
Other investments	5,120	5,304	4,936
Allowance for doubtful accounts	(1,012)	(1,218)	(1,020)
	40,443	51,855	44,205
Total fixed assets	155,938	165,620	157,471
Total assets	¥ 478,131	¥ 512,728	¥ 526,124

(Millions of yen truncated to the nearest million)

LIABILITIES AND NET ASSETS	September 30, 2008	September 30, 2007	December 31, 2007
Current liabilities:			
Notes and accounts payable	¥ 118,837	¥ 138,453	¥ 148,329
Short-term bank loans	-	567	343
Accrued expenses	22,376	24,679	30,167
Accrued income taxes	1,998	3,390	8,682
Accrued consumption taxes payable	1,400	2,309	3,360
Deferred tax liabilities	29	-	12
Reserves	15,058	15,298	5,386
Other current liabilities	15,882	15,164	17,677
	175,583	199,863	213,959
Long-term liabilities:			
Long-term bank loans	-	286	130
Deferred tax liabilities	281	1,913	338
Liability for employees' retirement benefits	37,170	38,860	38,577
Liability for directors' and corporate auditors' retirement benefits	748	699	738
Liability for continuous service's rewards For employees	820	-	-
Other long-term liabilities	2,952	2,730	2,812
	41,973	44,489	42,597
Total liabilities	217,557	244,352	256,556
Stockholders' equity:			
Common stock	73,303	73,303	73,303
Capital surplus	83,295	82,529	83,296
Retained earnings	120,203	112,032	118,527
Treasury stock	(19,699)	(6,251)	(9,694)
	257,102	261,612	265,432
Valuation and translation adjustments:			
Net unrealized gain on available-for-sale securities	(105)	1,415	639
Foreign currency translation adjustments	2	14	14
	(103)	1,429	654
Minority interests	3,574	5,333	3,481
Total net assets	260,573	268,375	269,568
Total liabilities and net assets	¥ 478,131	¥ 512,728	¥ 526,124

Consolidated Statements of Income

For the Third quarter ended September 30, 2008 and 2007

From January 1, 2008 to September 30, 2008 (Nine Months)

(Millions of yen truncated to the nearest million, %)

	Third quarter 2008		Third quarter 2007		Changes		Full Term 2007	
		% of Net Sales		% of Net Sales				% of Net Sales
Net sales	¥ 612,307	100.0%	¥ 640,783	100.0%	¥ (28,475)	(4.4)%	¥ 905,136	100.0%
Cost of sales	411,041	67.1	433,364	67.6	(22,323)	(5.2)	615,389	68.0
Gross profit	201,266	32.9	207,418	32.4	(6,152)	(3.0)	289,746	32.0
Selling, general and administrative expenses	183,627	30.0	183,384	28.6	243	0.1	252,860	27.9
Operating income	17,638	2.9	24,034	3.8	(6,396)	(26.6)	36,886	4.1
Other income:								
Interest and dividend income	733		687		46		911	
Amortization of negative goodwill	-		240		(240)		61	
Other	1,214		1,095		119		1,428	
	1,948	0.3	2,022	0.3	(73)	(3.7)	2,400	0.3
Other expenses:								
Interest expense	50		45		5		66	
Loss on disposal and devaluation of inventories	1,052		1,314		(262)		1,901	
Other	270		321		(51)		423	
	1,373	0.2	1,681	0.3	(307)	(18.3)	2,391	0.3
Ordinary income	18,213	3.0	24,375	3.8	(6,162)	(25.3)	36,895	4.1
Extraordinary gains:								
Gain on sales of fixed assets	0		15		(15)		15	
Gain on sales of investments in securities	0		12		(11)		805	
Other	20		-		20		492	
	21	0.0	27	0.0	(6)	(23.7)	1,313	0.1
Extraordinary losses:								
Loss on sales and disposal of fixed assets	372		312		59		558	
Loss on devaluation of investments in securities	267		-		267		1,235	
Provision of liability for deferment continuous service's reword	929		-		929		-	
Expenses related to relocation of restructuring of consolidated subsidiaries	487		-		487		58	
Expenses related to relocation of headquarters of affiliated companies	142		-		142		-	
Expenses related to relocation of warehouse	-		226		(226)		226	
Loss on change in equity	-		66		(66)		130	
Expenses related to changing in business name	132		17		115		20	
Other	36		32		3		527	
	2,368	0.4	655	0.1	1,712	261.3	2,757	0.3
Income before income taxes and minority interests	15,866	2.6	23,747	3.7	(7,881)	(33.2)	35,452	3.9
Income taxes	7,882	1.3	9,968	1.6	(2,086)	(20.9)	14,748	1.6
Minority interests	211	0.0	241	0.0	(30)	(12.5)	670	0.1
Net income	¥ 7,772	1.3	¥ 13,537	2.1	¥ (5,764)	(42.6)	¥ 20,033	2.2

Consolidated Statements of Income

For the Third quarter ended September 30, 2008 and 2007

From July 1, 2008 to September 30, 2008 (Three Months)

(Millions of yen truncated to the nearest million, %)

	Third quarter 2008		Third quarter 2007		Changes	
		% of Net Sales		% of Net Sales		
Net sales	¥193,683	100.0%	¥213,074	100.0%	¥(19,391)	(9.1)%
Cost of sales	129,033	66.6	143,869	67.5	(14,836)	(10.3)
Gross profit	64,650	33.4	69,204	32.5	(4,554)	(6.6)
Selling, general and administrative expenses	61,322	31.7	62,170	29.2	(847)	(1.4)
Operating income	3,327	1.7	7,034	3.3	(3,707)	(52.7)
Other income:						
Interest and dividend income	224		294		(69)	
Amortization of negative goodwill	-		(134)		134	
Other	203		191		12	
	427	0.2	350	0.1	76	21.8
Other expenses:						
Interest expense	15		20		(4)	
Loss on disposal and devaluation of inventories	236		365		(129)	
Other	58		89		(30)	
	310	0.1	475	0.2	(165)	(34.7)
Ordinary income	3,444	1.8	6,909	3.2	(3,465)	(50.2)
Extraordinary gains	-	0.0	2	0.0	(2)	(100.0)
Extraordinary losses	219	0.1	170	0.0	48	28.1
Income before income taxes and minority interests	3,225	1.7	6,741	3.2	(3,516)	(52.2)
Current income taxes	1,867	1.0	3,128	1.5	(1,260)	(40.3)
Minority interests	49	0.0	66	0.0	(16)	(25.4)
Net income	¥ 1,308	0.7	¥ 3,546	1.7	¥ (2,238)	(63.1)

Consolidated Statements of Cash Flows

For the Third quarter ended September 30, 2008 and 2007

From January 1, 2008 to September 30, 2008

(Millions of yen truncated to the nearest million)

	Third quarter 2008	Third quarter 2007	Full Term 2007
Cash flows from operating activities:			
Income before income taxes and minority interests	¥15,866	¥23,747	35,452
Depreciation and amortization	8,996	8,699	11,968
Amortization of goodwill (negative goodwill)	630	(240)	(61)
Increase (decrease) in allowance for doubtful receivables	77	(143)	(251)
Reversal of liability for employees' retirement benefits	(1,458)	(1,358)	(1,658)
Reversal of liability for directors' and corporate auditors' retirement benefits	(5)	(49)	(10)
Provision for (Reversal of) allowance for bonus payable	10,053	9,521	(692)
Interest and dividend income	(733)	(687)	(911)
Interest expense	50	45	66
Loss on sales and disposal of property and equipment, net	354	296	424
Gain on sales of investments in securities	(0)	(12)	(805)
Decrease in notes and accounts receivable	53,787	38,743	10,798
(Increase) Decrease in inventories	(2,898)	2,027	14,606
Decrease in notes and accounts payable	(29,509)	(20,247)	(10,371)
Other	(9,155)	(7,904)	1,854
	46,057	52,437	60,410
Interest and dividends received	746	678	881
Interest paid	(69)	(32)	(48)
Income taxes paid	(12,946)	(13,400)	(14,028)
Net cash provided by operating activities	33,788	39,683	47,214
Cash flows from investing activities:			
Payments for purchases of property and equipment	(7,092)	(5,670)	(7,270)
Payments for purchases of intangible assets	(5,452)	(3,866)	(5,771)
Payments for purchases of investments in securities	(814)	(947)	(963)
Proceeds from sales of investments in securities	4,070	1,522	3,188
Payments for purchases of investments in subsidiaries	(18)	(343)	(343)
Payments for purchases of investments in subsidiaries accompanying changes in scope of consolidation	-	(9,439)	(9,439)
Proceeds from purchases of investments in subsidiaries accompanying changes in scope of consolidation	27	-	-
(Increase) decrease in short-term loans receivable	(19,994)	-	1
Payments for deposit of long-term time deposits	-	(1,000)	(1,000)
(Increase) decrease in time deposits	5,000	(4,995)	(4,995)
Other	(464)	507	4,681
Net cash used in investing activities	(24,739)	(24,232)	(21,911)
Cash flows from financing activities:			
Decrease in short-term bank loans	(473)	(208)	(587)
Payments for redemption of long-term bank loans	-	(27)	(27)
Payments for purchases of treasury stock	(10,013)	(5,012)	(10,019)
Dividends paid	(6,096)	(5,388)	(5,383)
Dividends paid to minority interests in consolidated subsidiaries	(124)	(331)	(331)
Other	7	4	4
Net cash used in financing activities	(16,699)	(10,964)	(16,344)
Effect of exchange rate changes on cash and cash equivalents	(25)	(49)	0
Net (decrease) increase in cash and cash equivalents	(7,676)	4,436	8,958
Cash and cash equivalents at beginning of period	117,206	108,247	108,247
Cash and cash equivalents at end of period	¥ 109,529	¥ 112,684	¥ 117,206

Consolidated Segment Information

For the Third quarter ended September 30, 2008 and 2007

Nine Months

(Millions of yen truncated to the nearest million)

Third quarter 2008 (From January 1 to September 30)	Business Solutions	Consumer Equipment	Industrial Equipment	Total	Corporate and eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥ 374,972	¥ 183,782	¥ 53,553	¥ 612,307	-	¥ 612,307
Intersegment	-	-	-	-	(-)	-
Total	374,972	183,782	53,553	612,307	(-)	612,307
Operating expenses	363,683	179,162	51,823	594,669	(-)	594,669
Operating income	¥ 11,288	¥ 4,619	¥ 1,729	¥ 17,638	(-)	¥ 17,638

(Millions of yen truncated to the nearest million)

Third quarter 2007 (From January 1 to September 30)	Business Solutions	Consumer Equipment	Industrial Equipment	Total	Corporate and eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥ 373,661	¥ 191,602	¥ 75,519	¥ 640,783	-	¥ 640,783
Intersegment	-	-	-	-	(-)	-
Total	373,661	191,602	75,519	640,783	(-)	640,783
Operating expenses	362,433	182,818	71,496	616,749	(-)	616,749
Operating income	¥ 11,227	¥ 8,783	¥ 4,023	¥ 24,034	(-)	¥ 24,034

Three Months

(Millions of yen truncated to the nearest million)

Third quarter 2008 (From January 1 to September 30)	Business Solutions	Consumer Equipment	Industrial Equipment	Total	Corporate and eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥ 374,972	¥ 183,782	¥ 53,553	¥ 612,307	-	¥ 612,307
Intersegment	-	-	-	-	(-)	-
Total	374,972	183,782	53,553	612,307	(-)	612,307
Operating expenses	363,683	179,162	51,823	594,669	(-)	594,669
Operating income	¥ 11,288	¥ 4,619	¥ 1,729	¥ 17,638	(-)	¥ 17,638

(Millions of yen truncated to the nearest million)

Third quarter 2007 (From July 1 to September 30)	Business Solutions	Consumer Equipment	Industrial Equipment	Total	Corporate and eliminations	Consolidated
Net sales:						
Unaffiliated customers	¥ 125,704	¥ 63,636	¥ 23,732	¥ 213,074	-	¥ 213,074
Intersegment	-	-	-	-	(-)	-
Total	125,704	63,636	23,732	213,074	(-)	213,074
Operating expenses	122,985	60,638	22,415	206,039	(-)	206,039
Operating income	2,719	2,998	1,317	7,034	(-)	7,034