

Summary Report of Consolidated Financial Results  
For the First quarter ended March 31, 2009

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:	Masami Kawasaki, President		
Contact:	Yo Shibasaki, Managing Director, Senior general manager of Accounting Headquarters	Telephone:	+81-3-6719-9071
U.S. Accounting Standards Applied:	No		

**1. Business Performance (From January 1, 2009 to March 31, 2009)**

**(1) Results of Operations**

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

Years ended Dec. 31	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Income	Change (%)
First quarter 2009	¥169,832	-	¥ (354)	-	¥ (117)	-
First quarter 2008	¥ 212,003	(0.7) %	¥ 7,680	(18.6)%	¥ 7,824	(16.2)%

Years ended Dec. 31	Net Income	Change (%)	Net Income per Share (Yen)	Diluted Net Income per Share
First quarter 2009	¥ (4,541)	-	¥(33.07)	-
First quarter 2008	¥ 3,630	(29.5)%	¥ 25.03	-

**(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)
First quarter 2009	¥ 449,444	¥251,848	55.2%	¥ 1,806.08
Full term 2008	¥ 484,936	¥259,043	52.6%	¥ 1,858.39

【Reference】 Stockholder's Equity: First quarter 2009 ¥248,034 / Full term 2008 ¥255,220

**2. Dividends**

(Yen)

Dividend per share	The end of the First quarter	The end of the Second quarter	The end of the third quarter	The end of a term	Annual
Full term 2008	-	¥20.00	-	¥20.00	¥40.00
Full term 2009	-	-	-	-	-
Full term 2009 (Target)	-	-	-	-	-

【Note】 Dividends for Full term 2009 have not be decided yet.

### 3. Earnings Outlook (For the Fiscal year ending December 31, 2009)

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

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share (yen)
First six months 2009	-	-	-	-	-
Full term 2009	¥725,000	¥5,500	¥7,000	¥(6,300)	¥(45.87)
Percentage Change	(12.4)%	(78.4)%	(73.0)%	-	

**[Note]** Earnings Outlook for the first six months 2009 has not be announced.

### 4. Notes

- (1) Significant changes in subsidiaries during the period : No
- (2) Use of simplified accounting procedures : Yes
- (3) Changes in accounting principles and procedures and presentation methods, etc. related to the preparation of consolidated financial statements
- (i) Changes associated with the revision of accounting standards, etc. : Yes
- (ii) Changes other than (i): No
- (4) Number of shares issued (common shares)
- (i) Number of shares issued at the end of the period (including treasury stocks)
- |                        |                    |
|------------------------|--------------------|
| the first quarter 2009 | 151,079,972 shares |
| Full term 2008         | 151,079,972 shares |
- (ii) Number of treasury stocks at the end of the period
- |                        |                   |
|------------------------|-------------------|
| the first quarter 2009 | 13,746,782 shares |
| Full term 2008         | 13,745,742 shares |
- (iii) Number of shares during the period (first three months)
- |                        |                    |
|------------------------|--------------------|
| the first quarter 2009 | 137,333,505 shares |
| the first quarter 2008 | 145,024,172 shares |

#### 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 March 31, 2009 and 2008

(Millions of yen truncated to the nearest million)

ASSETS	March 31, 2009	December 31, 2008	Change
<b>Current assets:</b>			
Cash and deposits	¥15,295	¥24,501	¥(9,206)
Notes and accounts receivable—trade	119,329	149,548	(30,219)
Short-term investment securities	95,497	88,096	7,401
Merchandise and finished goods	27,607	29,920	(2,313)
Work in process	4,682	3,411	1,271
Raw materials and supplies	560	811	(251)
Deferred tax assets	5,381	5,388	(7)
Short-term loans receivable	20,000	20,000	0
Other	5,672	6,473	(801)
Allowance for doubtful accounts	(542)	(460)	(82)
<b>Total current assets</b>	<b>293,485</b>	<b>327,692</b>	<b>(34,207)</b>
<b>Noncurrent assets:</b>			
<b>Property, plant and equipment</b>			
Buildings and structures, net	43,583	44,105	(522)
Machinery, equipment and vehicles, net	28	30	(2)
Tools, furniture and fixtures, net	4,374	4,455	(81)
Rental assets, net	7,351	7,659	(308)
Land	41,739	41,739	—
Lease assets, net	132	—	132
<b>Total property, plant and equipment</b>	<b>97,209</b>	<b>97,989</b>	<b>(780)</b>
<b>Intangible assets:</b>			
Goodwill	2,722	2,925	(203)
Software	18,092	15,598	2,494
Lease assets	22	—	22
Right of using facilities	290	389	(99)
Other	114	116	(2)
<b>Total intangible assets</b>	<b>21,243</b>	<b>19,028</b>	<b>2,215</b>
<b>Investments and other assets:</b>			
Investment securities	5,785	6,420	(635)
Long-term loans receivable	26	25	1
Deferred tax assets	18,823	20,326	(1,503)
Guarantee deposits	8,836	8,791	45
Other	5,720	5,829	(109)
Allowance for doubtful accounts	(1,687)	(1,168)	(519)
<b>Total investments and other assets</b>	<b>37,505</b>	<b>40,225</b>	<b>(2,720)</b>
<b>Total noncurrent assets</b>	<b>155,958</b>	<b>157,243</b>	<b>(1,285)</b>
<b>Total assets</b>	<b>¥449,444</b>	<b>¥484,936</b>	<b>¥(35,492)</b>

(Millions of yen truncated to the nearest million)

<b>LIABILITIES</b>	<b>March 31, 2009</b>	<b>December 31, 2008</b>	<b>Change</b>
<b>Current liabilities:</b>			
Notes and accounts payable-trade	101,932	123,896	(21,964)
Lease obligations	45	-	45
Accrued expenses	22,720	28,137	(5,417)
Income taxes payable	566	6,085	(5,519)
Accrued consumption taxes	1,847	2,280	(433)
Deferred tax liabilities	10	7	3
Provision for bonuses	11,880	3,084	8,796
Provision for directors' bonuses	27	114	(87)
Provision for product warranties	904	1,106	(202)
Provision for loss on order received	109	290	(181)
Other	15,521	18,736	(3,215)
<b>Total current liabilities</b>	<b>155,566</b>	<b>183,739</b>	<b>(28,173)</b>
<b>Noncurrent liabilities:</b>			
Lease obligations	120	-	120
Deferred tax liabilities	319	279	40
Provision for retirement benefits	36,813	37,122	(309)
Provision for directors' retirement benefits	696	804	(108)
Accrued long service rewards for employees	1,025	937	88
Other	3,054	3,010	44
<b>Total noncurrent liabilities</b>	<b>42,029</b>	<b>42,153</b>	<b>(124)</b>
<b>Total liabilities</b>	<b>197,595</b>	<b>225,893</b>	<b>(28,298)</b>
<b>Shareholders' equity:</b>			
Capital stock	73,303	73,303	-
Capital surplus	83,289	83,289	(0)
Retained earnings	116,328	123,616	(7,288)
Treasury stock	(24,732)	(24,730)	(2)
<b>Total shareholder's equity</b>	<b>248,188</b>	<b>255,477</b>	<b>(7,289)</b>
<b>Valuation and translation adjustments</b>			
Valuation difference on available-for-sale securities	(135)	(212)	77
Foreign currency translation adjustments	(17)	(45)	28
<b>Total valuation and translation adjustments</b>	<b>(153)</b>	<b>(257)</b>	<b>104</b>
<b>Minority interests</b>	<b>3,813</b>	<b>3,822</b>	<b>(9)</b>
<b>Total net assets</b>	<b>251,848</b>	<b>259,043</b>	<b>(7,195)</b>
<b>Total liabilities and net assets</b>	<b>449,444</b>	<b>484,936</b>	<b>(35,492)</b>

## Consolidated Statements of Income

For the First quarter ended March 31, 2009 and 2008

From January 1, 2009 to March 31, 2009

(Millions of yen truncated to the nearest million)

	The First quarter of 2009	The First quarter of 2008	Change
Net sales	¥169,832	¥212,003	¥(42,171)
Cost of sales	114,010	144,288	(30,278)
Gross profit	55,822	67,714	(11,892)
Selling, general and administrative expenses	56,177	60,034	(3,857)
Operating loss (income)	(354)	7,680	(8,034)
Non-operating income			
Interest income	168	254	(86)
Dividends income	17	–	17
Other	168	296	(128)
Total non-operating income	354	550	(196)
Non-operating expenses:			
Interest expenses	9	16	(7)
Other	107	388	(281)
Total non-operating expenses	116	405	(289)
Ordinary loss (income)	(117)	7,823	(7,940)
Extraordinary income:			
Gain on sales of noncurrent assets	0	0	0
Gain on sales of golf memberships	5	–	5
Other	–	20	(20)
Total extraordinary income	5	20	(15)
Extraordinary loss:			
Loss on sales and retirement of noncurrent assets	37	92	(55)
Impairment loss	131	–	131
Loss on adjustment for changes of accounting standard for measurement of inventories	1,299	–	1,299
Loss on valuation of investment securities	796	77	719
Other	81	385	(304)
Total extraordinary losses	2,347	555	1,792
Loss (income) before income taxes and minority interests	(2,458)	7,289	(9,747)
Income taxes	2,036	3,650	(1,614)
Minority interests in income	46	9	37
Net loss (income)	¥(4,541)	¥3,629	¥(8,170)

【Note】Interest income for the first quarter of 2008 includes Dividends income

## Consolidated Statements of Cash Flows

For the First quarter ended March 31, 2009 and 2008

(Millions of yen truncated to the nearest million)

	The First quarter of 2009	The First quarter of 2008	Change
Net cash provided by (used in) operating activities			
Loss (income) before income taxes and minority interests	¥(2,458)	¥7,290	¥(9,748)
Depreciation and amortization	2,890	3,080	(190)
Impairment loss	131	–	131
Amortization of goodwill	202	221	(19)
Increase (decrease) in allowance for doubtful accounts	628	(49)	677
Decrease in provision for retirement benefits	(299)	(789)	490
Decrease in provision for directors' retirement benefits	(108)	(97)	(11)
Increase in provision for bonuses	8,796	9,693	(897)
Interest and dividends income	(186)	(254)	68
Interest expenses	9	16	(7)
Loss on sales and retirement of property, plant and equipment	36	91	(55)
Decrease in notes and accounts receivable–trade	30,185	19,159	11,026
Decrease (increase) in inventories	1,503	(9,986)	11,489
Increase in notes and accounts payable–trade	(21,964)	(3,918)	(18,046)
Other, net	(7,697)	(8,353)	656
Subtotal	11,669	16,106	(4,437)
Interest and dividends income received	202	289	(87)
Interest expenses paid	(9)	(35)	26
Income taxes paid	(6,058)	(8,718)	2,660
Net cash provided by (used in) operating activities	5,803	7,642	(1,839)
Net cash provided by (used in) investment activities			
Purchase of property, plant and equipment	(1,514)	(1,711)	197
Purchase of intangible assets	(3,251)	(1,833)	(1,418)
Purchase of investment securities	(0)	(34)	34
Proceeds from sales of investment securities	7	4,008	(4,001)
Decrease in short-term loans receivable	0	–	0
Decrease(increase) in time deposits	5,000	(100)	5,100
Other, net	(37)	(454)	417
Net cash provided by (used in) investment activities	204	(125)	329
Net cash provided by (used in) financing activities			
Repayments of finance lease obligations	(4)	–	(4)
Purchase of treasury stock	(1)	(5,003)	5,002
Cash dividends paid	(2,747)	(3,221)	474
Cash dividends paid to minority shareholders	(63)	(62)	(1)
Other, net	0	(106)	106
Net cash provided by (used in) financing activities	(2,817)	(8,394)	5,577
Effect of exchange rate changes on cash and cash equivalents	3	(34)	37
Net increase (decrease) in cash and cash equivalents	3,194	(913)	4,107
Cash and cash equivalents at beginning of period	107,588	117,206	(9,618)
Cash and cash equivalents at end of period	¥110,783	¥116,293	¥(5,510)

## Consolidated Segment Information

For the First quarter ended March 31, 2009 and 2008

(Millions of yen truncated to the nearest million)

the First quarter ended March 31, 2009 (From January 1 to March 31)	Business Solutions	Consumer Equipment	Industrial Equipment	TOTAL	Corporate and	Consolidated
Net sales:						
Unaffiliated customers	¥111,358	¥50,127	¥8,346	¥169,832	¥ -	¥169,832
Intersegment	-	-	-	-	(-)	-
Total	111,358	50,127	8,346	169,832	(-)	169,832
Operating income	(¥185)	¥340	(¥510)	(¥354)	(-)	(¥354)

(Millions of yen truncated to the nearest million)

the First quarter ended March 31, 2008 (From January 1 to March 31)	Business Solutions	Consumer Equipment	Industrial Equipment	TOTAL	Corporate and	Consolidated
Net sales:						
Unaffiliated customers	¥131,288	¥60,498	¥20,216	¥212,003	¥ -	¥212,003
Intersegment	-	-	-	-	(-)	-
Total	131,288	60,498	20,216	212,003	(-)	212,003
Operating income	¥5,503	¥1,081	¥1,095	¥7,680	(-)	¥7,680

### Notes:

#### 1.Organization of Segments

The Canon Marketing Japan Group has organized segments according to product and market characteristics.

#### 2.Main Products in Each Segment

Segment	Main Products / Service
Business Solutions	Business-use multifunctional products, print-on-demand (POD) digital presses, laser-beam printers, large format ink-jet printers, office-use facsimiles, liquid crystal projectors, document scanners, color card printers, color label printers, microfilm equipment, computer products, network equipment, software, service and support, system Integration, embedded software, infrastructure & operation, solution & software products, computer devices, network devices
Consumer Equipment	Digital cameras, film cameras, interchangeable lenses, digital video cameras, ink-jet printers, compact photo printers, personal-use plain-paper copiers, personal-use facsimiles, personal-use scanners, electronic dictionaries, calculators, personal computers
Industrial Equipment	Lithography equipment for semiconductor manufactures and other semiconductor manufacturing equipment, Lithography equipment for LCD manufactures, medical equipment (digital X-ray cameras, ophthalmic equipment), broadcasting equipment