

## Summary Report of Consolidated Financial Results

For the Second quarter ended June 30, 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 June 30, 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 (%)
Second quarter 2009	¥336,202	-	¥3,659	-	¥4,675	-
Second quarter 2008	¥418,624	(2.1)%	¥14,311	(15.8)%	14,769	(15.4)%

Years ended Dec. 31	Net Income	Change (%)	Net Income per Share (Yen)	Diluted Net Income per Share
Second quarter 2009	¥ (4,541)	-	¥(33.33)	-
Second quarter 2008	¥6,464	(35.3)%	¥ 44.79	-

#### (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)
Second quarter 2009	¥ 434,471	¥252,014	57.1%	¥ 1,806.42
Full term 2008	¥ 484,936	¥259,043	52.6%	¥ 1,858.39

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

### 2. Dividends

(Yen)

Dividend per share	The end of the Second 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	-	¥10.00	-	-	-
Full term 2009 (Target)	-	-	-	-	-

【Note】 Dividends for the end of a term and 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)
Full term 2009	¥705,000	¥5,500	¥7,000	¥(5,000)	¥(36.41)
Percentage Change	(14.8)%	(78.4)%	(73.0)%	-	

*[Note] Earnings Outlook for the net sales and net income changed.*

### 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 : No
- (4) Number of shares issued (common shares)
- (i) Number of shares issued at the end of the period (including treasury stocks)
- |                         |                    |
|-------------------------|--------------------|
| the Second 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 Second quarter 2009 | 13,746,968 shares |
| Full term 2008          | 13,745,742 shares |
- (iii) Number of shares during the period (first six months)
- |                         |                    |
|-------------------------|--------------------|
| the Second quarter 2009 | 137,333,321 shares |
| the Second quarter 2008 | 144,326,617 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

From January 1, 2009 to June 30, 2009

(Millions of yen truncated to the nearest million)

The Second quarter of 2009	June 30, 2009	December 31, 2008	Change
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and deposits	¥18,808	¥24,501	¥(5,693)
Notes and accounts receivable—trade	106,341	149,548	(43,207)
Short-term investment securities	80,998	88,096	(7,098)
Merchandise and finished goods	22,083	29,920	(7,837)
Work in process	4,116	3,411	705
	521	811	(290)
Deferred tax assets	8,489	5,388	3,101
Short-term loans receivable	40,000	20,000	20,000
Other	6,799	6,473	326
Allowance for doubtful accounts	(581)	(460)	(121)
<b>Total current assets</b>	<b>287,577</b>	<b>327,692</b>	<b>(40,115)</b>
<b>Noncurrent assets:</b>			
<b>Property, plant and equipment</b>			
Buildings and structures, net	42,054	44,105	(2,051)
Machinery, equipment and vehicles, net	4	30	(26)
Tools, furniture and fixtures, net	4,228	4,455	(227)
Rental assets, net	7,954	7,659	295
Land	31,921	41,739	(9,818)
Lease assets, net	254	—	254
<b>Total property, plant and equipment</b>	<b>86,418</b>	<b>97,989</b>	<b>(11,571)</b>
<b>Intangible assets:</b>			
Goodwill	2,773	2,925	(152)
Software	19,708	15,598	4,110
Lease assets	29	—	29
Right of using facilities	289	389	(100)
Other	116	116	0
<b>Total intangible assets</b>	<b>22,915</b>	<b>19,028</b>	<b>3,887</b>
<b>Investments and other assets:</b>			
Investment securities	5,659	6,420	(761)
Long-term loans receivable	24	25	(1)
Deferred tax assets	18,900	20,326	(1,426)
Guarantee deposits	9,027	8,791	236
Other	5,533	5,829	(296)
Allowance for doubtful accounts	(1,586)	(1,168)	(418)
<b>Total investments and other assets</b>	<b>37,559</b>	<b>40,225</b>	<b>(2,666)</b>
<b>Total noncurrent assets</b>	<b>146,893</b>	<b>157,243</b>	<b>(10,350)</b>
<b>Total assets</b>	<b>¥434,471</b>	<b>¥484,936</b>	<b>¥(50,465)</b>

(Millions of yen truncated to the nearest million)

LIABILITIES	March 31, 2009	December 31, 2008	Change
<b>Current liabilities:</b>			
Notes and accounts payable-trade	90,864	123,896	(33,032)
Lease obligations	72	-	72
Accrued expenses	19,833	28,137	(8,304)
Income taxes payable	3,229	6,085	(2,856)
Accrued consumption taxes	1,556	2,280	(724)
Deferred tax liabilities	7	7	0
Provision for bonuses	3,080	3,084	(4)
Provision for directors' bonuses	55	114	(59)
Provision for product warranties	846	1,106	(260)
Provision for loss on order received	96	290	(194)
Other	20,805	18,736	2,069
<b>Total current liabilities</b>	<b>140,449</b>	<b>183,739</b>	<b>(43,290)</b>
<b>Noncurrent liabilities:</b>			
Lease obligations	229	-	229
Deferred tax liabilities	321	279	42
Provision for retirement benefits	36,686	37,122	(436)
Provision for directors' retirement benefits	743	804	(61)
Accrued long service rewards for employees	1,060	937	123
Other	2,965	3,010	(45)
<b>Total noncurrent liabilities</b>	<b>42,006</b>	<b>42,153</b>	<b>(147)</b>
<b>Total liabilities</b>	<b>182,456</b>	<b>225,893</b>	<b>(43,437)</b>
<b>Shareholders' equity:</b>			
Capital stock	73,303	73,303	-
Capital surplus	83,288	83,289	(1)
Retained earnings	116,291	123,616	(7,325)
Treasury stock	(24,757)	(24,730)	(27)
<b>Total shareholder's equity</b>	<b>248,125</b>	<b>255,477</b>	<b>(7,352)</b>
<b>Valuation and translation adjustments</b>			
Valuation difference on available-for-sale securities	(18)	(212)	194
Foreign currency translation adjustments	(26)	(45)	19
<b>Total valuation and translation adjustments</b>	<b>(45)</b>	<b>(257)</b>	<b>212</b>
<b>Minority interests</b>	<b>3,933</b>	<b>3,822</b>	<b>111</b>
<b>Total net assets</b>	<b>252,014</b>	<b>259,043</b>	<b>(7,029)</b>
<b>Total liabilities and net assets</b>	<b>434,471</b>	<b>484,936</b>	<b>(50,465)</b>

## Consolidated Statements of Income

For the Second quarter ended June 30, 2009 and 2008

From January 1, 2009 to June 30, 2009

(Millions of yen truncated to the nearest million)

	The Second quarter of 2009	The Second quarter of 2008	Change
Net sales	¥336,202	¥418,624	¥(82,422)
Cost of sales	220,706	282,008	(61,302)
Gross profit	115,496	136,616	(21,120)
Selling, general and administrative expenses	111,836	122,305	(10,469)
Operating loss (income)	3,659	14,311	(10,652)
Non-operating income			
Interest income	369	509	(140)
Dividends income	68	-	68
Insurance income	524	-	524
Other	346	1,011	(665)
Total non-operating income	1,307	1,521	(214)
Non-operating expenses:			
Interest expenses	67	34	33
Other	225	1,027	(802)
Total non-operating expenses	292	1,063	(771)
Ordinary loss (income)	4,675	14,769	(10,094)
Extraordinary income:			
Gain on sales of noncurrent assets	5,571	0	5,571
Other	161	20	(20)
Total extraordinary income	5,732	21	5,711
Extraordinary loss:			
Loss on sales and retirement of noncurrent assets	168	291	(123)
Impairment loss	10,684	-	10,684
Other	2,594	1,858	736
Total extraordinary losses	13,447	2,149	11,298
Loss (income) before income taxes and minority interests	(3,040)	12,641	(15,681)
Income taxes	1,374	6,014	(4,640)
Minority interests in income	162	161	1
Net loss (income)	¥(4,577)	¥6,464	¥(11,041)

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

## Consolidated Statements of Cash Flows

For the Second quarter ended June 30, 2009 and 2008

(Millions of yen truncated to the nearest million)

	The Second quarter of 2009	The Second quarter of 2008	Change
Net cash provided by (used in) operating activities			
(Loss) income before income taxes and minority interests	¥(3,040)	¥12,641	¥(15,681)
Depreciation and amortization	5,716	6,077	(361)
Impairment loss	10,684	–	10,684
Amortization of goodwill	418	426	(8)
Increase (decrease) in allowance for doubtful accounts	577	(164)	741
Decrease in provision for retirement benefits	(3)	(1,098)	1,095
Decrease in provision for directors' retirement benefits	(60)	(60)	0
Interest and dividends income	(437)	(509)	72
Interest expenses	67	34	33
Loss (gain) on sales and retirement of property, plant and	(5,425)	275	(5,700)
Decrease in notes and accounts receivable–trade	42,707	44,512	(1,805)
Decrease (increase) in inventories	7,687	(107)	7,794
Increase in notes and accounts payable–trade	(32,407)	(27,375)	(5,032)
Other, net	(6,478)	(3,178)	(3,300)
<b>Subtotal</b>	<b>20,006</b>	<b>31,473</b>	<b>(11,467)</b>
Interest and dividends income received	458	519	(61)
Interest expenses paid	(67)	(53)	(14)
Income taxes paid	(6,086)	(9,014)	2,928
<b>Net cash provided by (used in) operating activities</b>	<b>14,310</b>	<b>22,925</b>	<b>(8,615)</b>
Net cash provided by (used in) investment activities			
Purchase of property, plant and equipment	(3,900)	(5,258)	1,358
Proceeds from sales of property, plant and equipment	5,901	–	5,901
Purchase of intangible assets	(5,521)	(3,265)	(2,256)
Purchase of investment securities	(2)	(723)	721
Proceeds from sales of investment securities	9	4,010	(4,001)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(396)	(18)	(378)
Payments for sales of investments in subsidiaries resulting in change in scope	(188)	–	(188)
(Increase) in short–term loans receivable	(19,999)	(19,996)	(3)
Decrease (increase) in time deposits	5,000	(100)	5,100
Other, net	(191)	(43)	(148)
<b>Net cash provided by (used in) investment activities</b>	<b>(19,289)</b>	<b>(25,395)</b>	<b>6,106</b>
Net cash provided by (used in) financing activities			
Repayments of finance lease obligations	(18)	–	(18)
Purchase of treasury stock	(2)	(5,007)	5,005
Cash dividends paid	(2,733)	(3,226)	493
Cash dividends paid to minority shareholders	(63)	(65)	2
Other, net	0	(470)	470
<b>Net cash provided by (used in) financing activities</b>	<b>(2,816)</b>	<b>(8,769)</b>	<b>5,953</b>
Effect of exchange rate changes on cash and cash equivalents	4	(22)	26
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(7,791)</b>	<b>(11,261)</b>	<b>3,470</b>
Cash and cash equivalents at beginning of period	107,588	117,206	(9,618)
<b>Cash and cash equivalents at end of period</b>	<b>¥99,796</b>	<b>¥105,944</b>	<b>¥(6,148)</b>

## Consolidated Segment Information

For the Second quarter ended June 31, 2009 and 2008

(Millions of yen truncated to the nearest million)

the Second quarter ended June 30, (From January 1 to June 30)	Business Solutions	Consumer Equipment	Industrial Equipment	TOTAL	Corporate and	Consolidate d
Net sales:						
Unaffiliated customers	¥216,611	¥106,779	¥12,811	¥336,202	¥ -	¥336,202
Intersegment	-	-	-	-	(-)	-
Total	216,611	106,779	12,811	336,202	(-)	336,202
Operating income	¥2,423	¥2,368	(¥1,132)	¥3,659	(-)	¥3,659

(Millions of yen truncated to the nearest million)

the Second quarter ended June 30, (From January 1 to June 30)	Business Solutions	Consumer Equipment	Industrial Equipment	TOTAL	Corporate and	Consolidate d
Net sales:						
Unaffiliated customers	¥257,118	¥123,734	¥37,771	¥418,624	¥ -	¥418,624
Intersegment	-	-	-	-	(-)	-
Total	257,118	123,734	37,771	418,624	(-)	418,624
Operating income	¥9,279	¥3,476	¥1,555	¥14,311	(-)	¥14,311

### 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