

2Q 2019 Results

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Canon
Canon Marketing Japan Inc.

* The figures are rounded off to the nearest 100 million yen in this material.

* Forward-looking statements and results forecasts presented in this material are based on the management's assumptions using currently available information and therefore contain inherent risks and uncertainties.
As a consequence, due to a range of possible factors, actual results may materially differ from the forecasts.

Summary of 2Q 2019 Results



Net sales **¥151.9 B (Y/Y +2.2B, +1%)**

✓ Sales increased due to higher sales mainly for IT Solutions in the Enterprise and Area segments, offsetting decreased sales in the Consumers segment of digital interchangeable lens cameras and other products.

Operating Income **¥6.4 B (Y/Y +0.5B, +8%)**

✓ Operating income increased due to higher profits achieved by the Area and Professional segments, offsetting decreased profits in the Consumers and Enterprise segments.

**Profit attributable to
owners of parent** **¥4.7 B (Y/Y -0.3B, -5%)**

Summary of Results

2Q 2019 Actual
(from April 1 to June 30)



(Billions of yen)

■ Summary of Results

	2Q 2018	2Q 2019	Changes	
			Amount	%
Net sales	149.7	151.9	+2.2	+1%
Gross profit	(35.4%) 53.0	(31.7%) 48.1	(-3.8%) -4.9	-9%
Operating income	(4.0%) 5.9	(4.2%) 6.4	(+0.2%) +0.5	+8%
Ordinary income	(4.6%) 6.9	(4.7%) 7.1	(+0.1%) +0.2	+3%
Profit attributable to owners of parent	(3.3%) 4.9	(3.1%) 4.7	(-0.2%) -0.3	-5%

Summary of Results

Comparisons with Results
before the Reclassification

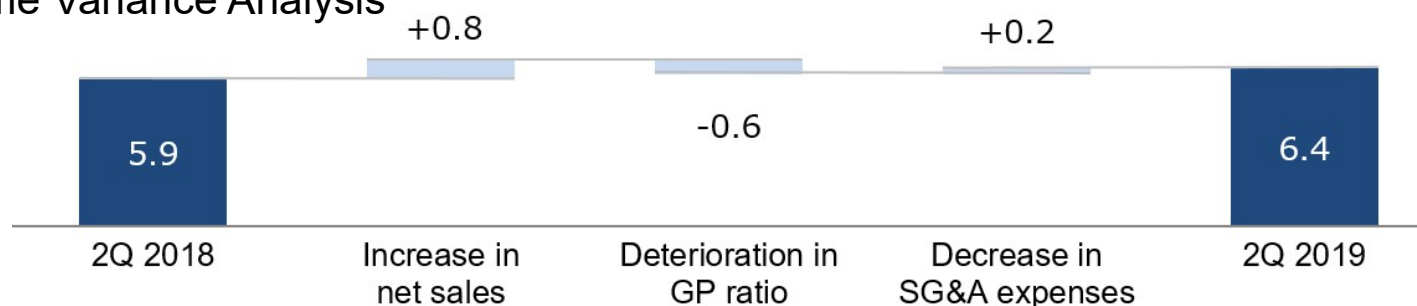


(Billions of yen)

Summary of Results

	2Q 2018	2Q 2019	Impact of the reclassification of services	2Q 2019 (before the reclassification)	Changes	
					Amount	%
Net sales	149.7	151.9	-	151.9	+2.2	+1%
Gross profit	(35.4%) 53.0	(31.7%) 48.1	5.1	(35.0%) 53.2	(-0.4%) +0.2	+0%
Operating income	(4.0%) 5.9	(4.2%) 6.4	-	(4.2%) 6.4	(+0.2%) +0.5	+8%
Ordinary income	(4.6%) 6.9	(4.7%) 7.1	-	(4.7%) 7.1	(+0.1%) +0.2	+3%
Profit attributable to owners of parent	(3.3%) 4.9	(3.1%) 4.7	-	(3.1%) 4.7	(-0.2%) -0.3	-5%

Op. Income Variance Analysis



Segment Outline

2Q 2019 Actual
(from April 1 to June 30)



(Billions of yen)

	2Q 2018		2Q 2019		Changes	
	Net sales	Op. Income	Net sales	Op. Income	Net sales	Op. Income
Consumers	34.2	1.0	31.8	1.0	-2.4	-0.0
Enterprise	46.2	2.1	48.8	2.0	+2.6	-0.1
Area	63.4	2.8	65.2	3.2	+1.8	+0.4
Professional	11.1	-0.0	11.1	0.5	-0.1	+0.5
Other	-5.3	0.0	-4.9	-0.3	+0.3	-0.3
Total	149.7	5.9	151.9	6.4	+2.2	+0.5

Notes

*1 "Other" includes the intersegment sales, the shared service businesses and the corporate expenses that are not allocated to each segment.

*2 Visual Solutions, a sub-segment of the Professional segment, was transferred to the Enterprise and Area segments in 2019. In addition, the planning and development functions of the security business, which had been dispersed throughout the Group, were integrated into the marketing administration department operated solely by Canon Marketing Japan, resulting in changes in the amount of inter-segment transactions. The segments for the results of the previous year are restated according to the classification method for the current period.

Summary of Results

1Q-2Q 2019 Actual
(from January 1 to June 30)



(Billions of yen)

■ Summary of Results

	1Q-2Q 2018	1Q-2Q 2019	Changes	
			Amount	%
Net sales	300.5	302.9	+2.3	+1%
Gross profit	(34.9%) 105.0	(32.0%) 96.8	(-3.0%) -8.2	-8%
Operating income	(3.2%) 9.7	(4.4%) 13.4	(+1.2%) +3.8	+39%
Ordinary income	(3.7%) 11.0	(4.7%) 14.3	(+1.1%) +3.4	+30%
Profit attributable to owners of parent	(2.5%) 7.4	(3.1%) 9.4	(+0.6%) +2.0	+27%

Summary of Results

Comparisons with Results
before the Reclassification

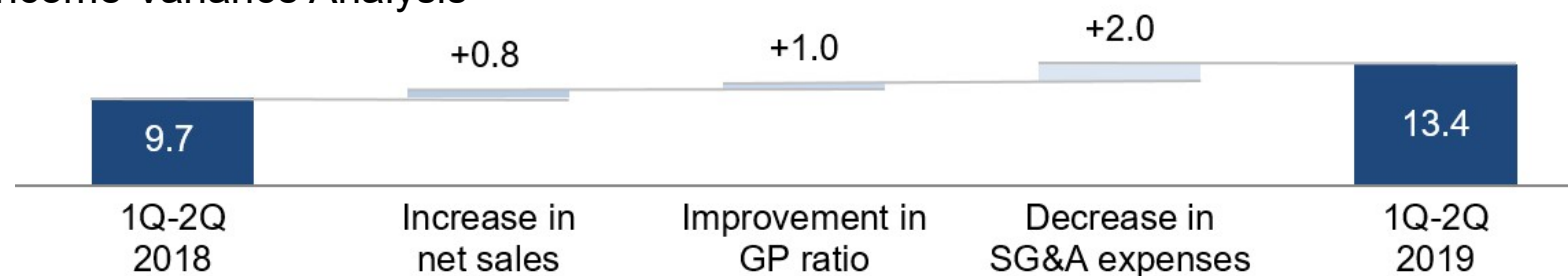


(Billions of yen)

Summary of Results

	1Q-2Q 2018	1Q-2Q 2019	Impact of the reclassification of services	1Q-2Q 2019 (before the reclassification)	Changes	
					Amount	%
Net sales	300.5	302.9	-	302.9	+2.3	+1%
Gross profit	(34.9%) 105.0	(32.0%) 96.8	10.0	(35.3%) 106.8	(+0.3%) +1.8	+2%
Operating income	(3.2%) 9.7	(4.4%) 13.4	-	(4.4%) 13.4	(+1.2%) +3.8	+39%
Ordinary income	(3.7%) 11.0	(4.7%) 14.3	-	(4.7%) 14.3	(+1.1%) +3.4	+30%
Profit attributable to owners of parent	(2.5%) 7.4	(3.1%) 9.4	-	(3.1%) 9.4	(+0.6%) +2.0	+27%

Op. Income Variance Analysis



Segment Outline

1Q-2Q 2019 Actual
(from January 1 to June 30)



(Billions of yen)

	1Q-2Q 2018		1Q-2Q 2019		Changes	
	Net sales	Op. Income	Net sales	Op. Income	Net sales	Op. Income
Consumers	61.0	-1.1	57.7	-0.3	-3.4	+0.8
Enterprise	93.4	4.3	98.7	5.5	+5.3	+1.2
Area	130.2	5.5	132.8	7.0	+2.6	+1.5
Professional	26.2	0.8	23.2	1.3	-3.0	+0.5
Other	-10.3	0.2	-9.6	-0.1	+0.7	-0.2
Total	300.5	9.7	302.9	13.4	+2.3	+3.8

Notes

*1 "Other" includes the intersegment sales, the shared service businesses and the corporate expenses that are not allocated to each segment.

*2 Visual Solutions, a sub-segment of the Professional segment, was transferred to the Enterprise and Area segments in 2019. In addition, the planning and development functions of the security business, which had been dispersed throughout the Group, were integrated into the marketing administration department operated solely by Canon Marketing Japan, resulting in changes in the amount of inter-segment transactions. The segments for the results of the previous year are restated according to the classification method for the current period.

Segment Information Consumers Segment



Net sales : 31.8 B (Y/Y -2.4B, -7%)

- Sales decreased due to a decline in sales of digital interchangeable lens cameras.

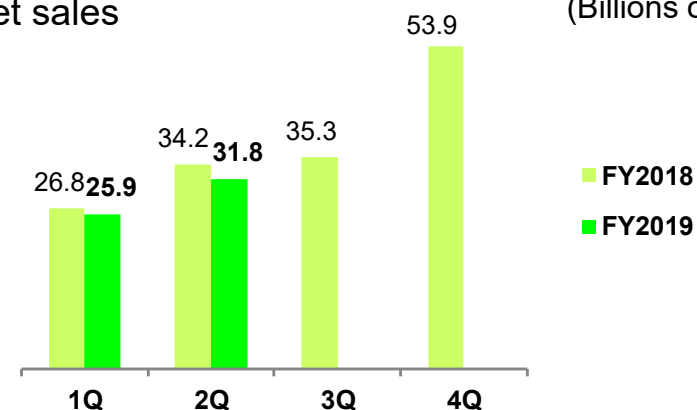
Operating income 1.0 B (Y/Y -0.0B, -3%)

- Although SG&A expenses decreased, gross profit also declined significantly due to the lower sales, and operating income decreased.

2019 Actual v. 2018 Actual

	1Q-2Q 2018	1Q-2Q 2019	Changes
Net sales	61.0	57.7	-3.4
Op. income	-1.1	-0.3	+0.8

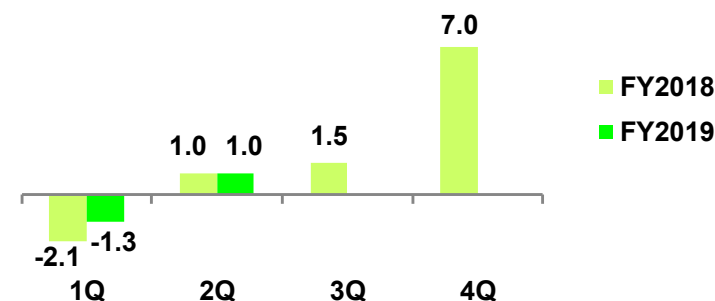
Net sales (Billions of Yen)



Net sales - Growth rate (Y/Y)

	1Q	2Q	3Q	4Q	FY
FY2019	-3%	-7%			

Op. income



Segment Information **Enterprise Segment**



Net sales : 48.8 B (Y/Y +2.6B, +6%)

- Sales increased, reflecting the steady performance of IT Solutions, such as SI services and IT infrastructure services.

Operating income 2.0B (Y/Y -0.1B, -5%)

- Operating income decreased mainly due to unprofitable projects in Canon IT Solutions Inc. and increased SG&A expenses.

■ 2019 Actual v. 2018 Actual

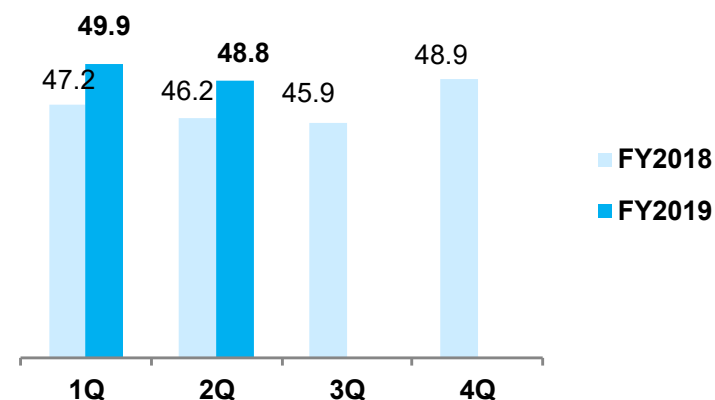
	1Q-2Q 2018	1Q-2Q 2019	Changes
Net sales	93.4	98.7	+5.3
Op. income	4.3	5.5	+1.2

■ Net sales - Growth rate (Y/Y)

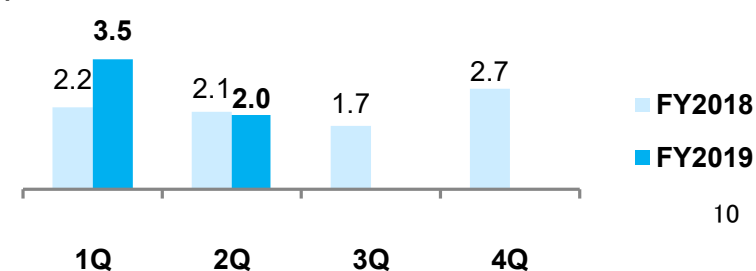
	1Q	2Q	3Q	4Q	FY
FY2019	+6%	+6%			

■ Net sales

(Billions of Yen)



■ Op. income



Segment Information Area Segment



Net sales : 65.2 B (Y/Y +1.8B, +3%)

- Sales increased due to a rise in sales of IT solutions for small and medium enterprises, which offset a decline in sales of the main business equipment.

Operating income 3.2 B (Y/Y +0.4B, +13%)

- Operating income increased, mainly reflecting higher gross profit resulting from increased sales in the IT Solution business and reductions in SG&A expenses.

2019 Actual v. 2018 Actual

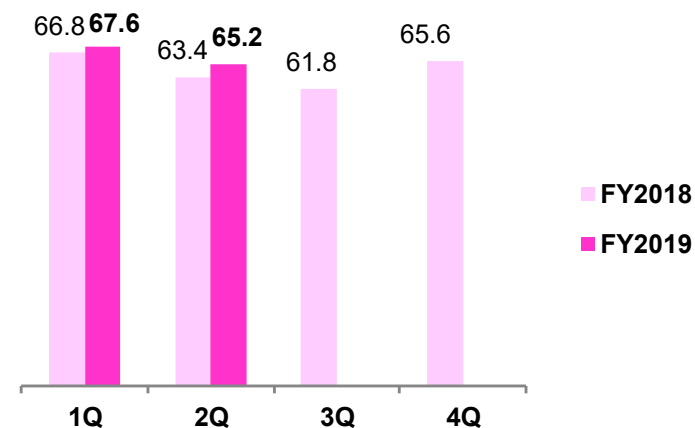
	1Q-2Q 2018	1Q-2Q 2019	Changes
Net sales	130.2	132.8	+2.6
Op. income	5.5	7.0	+1.5

Net sales - Growth rate (Y/Y)

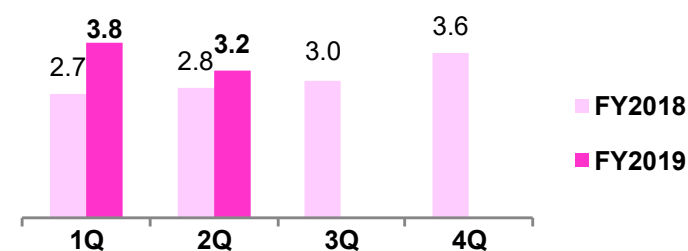
	1Q	2Q	3Q	4Q	FY
FY2019	+1%	+3%			

Net sales

(Billions of Yen)



Op. income



Segment Information Professional Segment



Net sales : 11.1 B (Y/Y -0.1B, -1%)

- Sales decreased due to the poor performance of the production printing business, which was offset by the steady performance of the healthcare business..

Operating income 0.5 B (Y/Y +0.5B, -%)

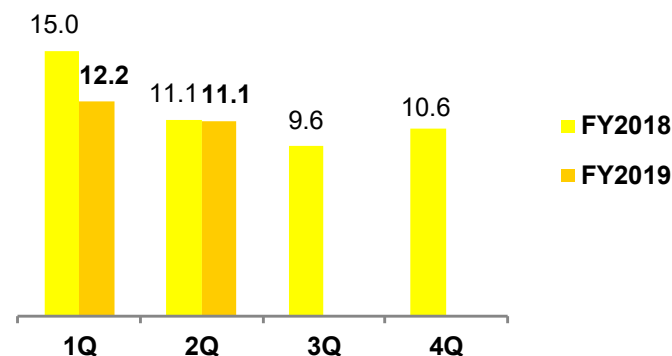
- Profits improved, mainly reflecting reductions in SG&A expenses.

2019 Actual v. 2018 Actual

	1Q-2Q 2018	1Q-2Q 2019	Changes
Net sales	26.2	23.2	-3.0
Op. income	0.8	1.3	+0.5

Net sales

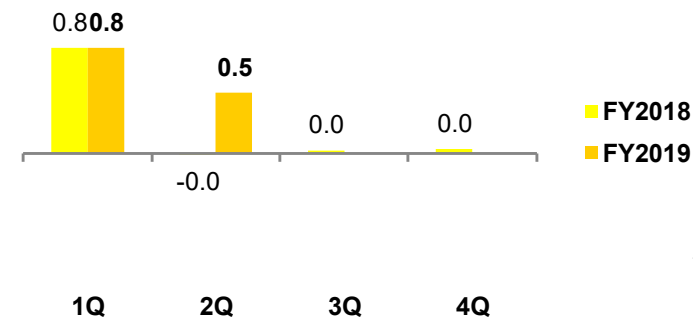
(Billions of Yen)



Net sales - Growth rate (Y/Y)

	1Q	2Q	3Q	4Q	FY
FY2019	-19%	-1%	-	-	-

Op. income



Segment Information Professional Segment



■ Net sales - Growth rate (Y/Y)

	FY2019	
	1Q Results	2Q Results
Production Printing	+1%	-22%
Industrial Equipment	-34%	-2%
Healthcare Business	-13%	+19%

■ Production Printing

Sales decreased, mainly due to the poor performance of monochrome and color continuous feed printers.

■ Industrial Equipment

Sales decreased due to the termination of sales agency agreements with overseas manufacturers with which a sizable amount of businesses had been conducted in the non-semiconductor sector, offsetting the strong performance of the semiconductor sector.

■ Healthcare Business

Sales increased, reflecting the significant growth of medical IT for hospitals as well as a rise in sales of digital radiography.

Overall Sales of IT Solutions



(Billions of Yen)

■ Sales of IT Solutions by Segment

	2Q 2018	2Q 2019	Changes	
			Amount	%
Enterprise segment	28.7	32.7	+4.0	+14%
Area segment	14.6	17.7	+3.1	+21%
Other	4.5	5.5	+1.0	+22%
Total	47.8	55.9	+8.1	+17%

	1Q-2Q 2018	1Q-2Q 2019	Changes	
			Amount	%
Enterprise segment	58.0	64.5	+6.5	+11%
Area segment	29.8	35.6	+5.8	+20%
Other	10.1	11.1	+1.0	+10%
Total	97.9	111.1	+13.3	+14%

■ Reference: Overall IT Security

	Y/Y 2018 vs 2019	
	2Q	1Q-2Q
	Overall IT Security Amount	+0%

Summary of Projections



FY2019 Current Projection v. Previous Projection

(Billions of Yen)

	FY2019		Changes		【Reference】		
	FY2019 Previous projection	FY2019 Current Projection	Amount	%	FY2018 Actual	Changes	
					Amount	Amount	%
Net Sales	622.0	622.0	-	-	621.6	+0.4	+0%
Operating Income	(4.7%) 29.5	(4.8%) 30.0	(+0.1%) +0.5	+2%	(4.7%) 28.9	(+0.2%) +1.1	+4%
Ordinary Income	(4.9%) 30.7	(5.0%) 31.2	(+0.1%) +0.5	+2%	(4.9%) 30.5	(+0.1%) +0.7	+2%
Profit attributable to owners of parent	(3.4%) 20.9	(3.4%) 21.0	(+0.0%) +0.1	+0%	(3.4%) 20.8	(+0.0%) +0.2	+1%

Summary of Projections by Segment



FY2019 Current Projection v. Previous Projection

(Billions of Yen)

	FY2019		FY2019		Changes		
	Previous Projection		Current Projection				
	Net Sales	Op. Income	Net Sales	Op. Income	Net Sales Amount	%	Op. Income
Consumers	138.8	6.9	138.8	6.9	-	-	-
Enterprise	190.0	9.7	191.0	9.9	+1.0	+1%	+0.2
Area	262.9	12.1	261.9	12.6	-1.0	-0%	+0.5
Professional	48.7	1.1	48.7	1.2	-	-	+0.1
Other	-18.4	-0.3	-18.4	-0.6	-	-	-0.3
Total	622.0	29.5	622.0	30.0	-	-	+0.5

Notes

*1 "Other" includes the intersegment sales, the shared service businesses and the corporate expenses that are not allocated to each segment.

*2 Visual Solutions, a sub-segment of the Professional segment, was transferred to the Enterprise and Area segments in 2019. In addition, the planning and development functions of the security business, which had been dispersed throughout the Group, were integrated into the marketing administration department operated solely by Canon Marketing Japan, resulting in changes in the amount of inter-segment transactions. The segments for the results of the previous year are restated according to the classification method for the current period.

Summary of Projections by Segment



FY2019 Projection v. FY2018 Actual

(Billions of Yen)

	FY2018		FY2019		Changes		
	Actual		Projection				
	Net Sales	Op. Income	Net Sales	Op. Income	Net Sales Amount	%	Op. Income
Consumers	150.2	7.3	138.8	6.9	-11.4	-8%	-0.4
Enterprise	188.2	8.7	191.0	9.9	+2.8	+2%	+1.2
Area	257.6	12.1	261.9	12.6	+4.3	+2%	+0.5
Professional	46.4	0.9	48.7	1.2	+2.3	+5%	+0.3
Other	-20.8	-0.1	-18.4	-0.6	+2.4	-	-0.5
Total	621.6	28.9	622.0	30.0	+0.4	+0%	+1.1

Notes

*1 "Other" includes the intersegment sales, the shared service businesses and the corporate expenses that are not allocated to each segment.

*2 Visual Solutions, a sub-segment of the Professional segment, was transferred to the Enterprise and Area segments in 2019. In addition, the planning and development functions of the security business, which had been dispersed throughout the Group, were integrated into the marketing administration department operated solely by Canon Marketing Japan, resulting in changes in the amount of inter-segment transactions. The segments for the results of the previous year are restated according to the classification method for the current period.

Earnings Forecast: Segment Information (1)



Consumers

- 3Q and 4Q: Both sales and operating income are expected to decrease due to the continuous decline in sales of digital SLR cameras, coupled with lower sales of inkjet printers for home use.
- Full year: The numbers for digital interchangeable lens cameras and inkjet printers expected to be sold have been revised downwards. Earnings forecasts remain unchanged, mainly reflecting rises in sales price. Accordingly, net sales will be 138.8 billion yen, or a decrease of 8% year on year, and operating income will decline 0.4 billion yen year on year, to 6.9 billion yen.

Enterprise

- 3Q and 4Q: Sales are expected to decrease due to the absence of a number of large projects related PCs for business use that were won in the previous year, offsetting large orders for the main business equipment and the continuous strong performance of Canon IT Solutions Inc. Operating income is expected to remain flat, mainly due to an increase in personnel expenses, despite higher gross profit resulting from the solid performance of IT Solutions.
- Full year: Net sales, which have been revised upwards by 1.0 billion yen, mainly reflecting large orders for the main business equipment and the strong performance of IT Solutions in the first half, are expected to be 191.0 billion yen, or an increase of 2% year on year. Operating income, which has been revised upwards by 0.2 billion yen year on year, is expected to increase 1.2 billion yen year on year, to 9.9 billion yen, reflecting higher gross margins resulting from increased sales in the first half.

Earnings Forecast: Segment Information (2)



Area

- 3Q and 4Q: Sales are expected to increase, mainly due to higher sales in security and operation/maintenance services and the proactive sales promotion of office MFP, although a spike in demand for the replacement of PCs for business use will be mitigated. Operating income is expected to decline, mainly due to rises in and SG&A expenses, such as sales promotion expenses and personnel expenses, resulting from the sales promotion of office MFP.
- Full year: Sales, which have been revised downwards by 1.0 billion yen in consideration of the progress in the first six months, are expected to be 261.9 billion yen, or an increase of 2% year on year. Operating income is expected to rise 0.5 billion yen year on year, to 12.6 billion yen, mainly reflecting an increase in gross profit resulting from higher sales related to IT Solutions.

Professional

- 3Q and 4Q: Sales are expected to rise in production printing, industrial equipment and healthcare businesses.
- Full year: There is no change from the previous projection. Sales are expected to increase 5% year on year. Operating income has been revised upwards by 0.1 billion yen from the previous projection, reflecting the upward swing in the first half, and is expected to rise 0.3 billion yen year on year, to 1.2 billion yen.

Supplementary Information

FY2018



Financial results after the segment reclassification

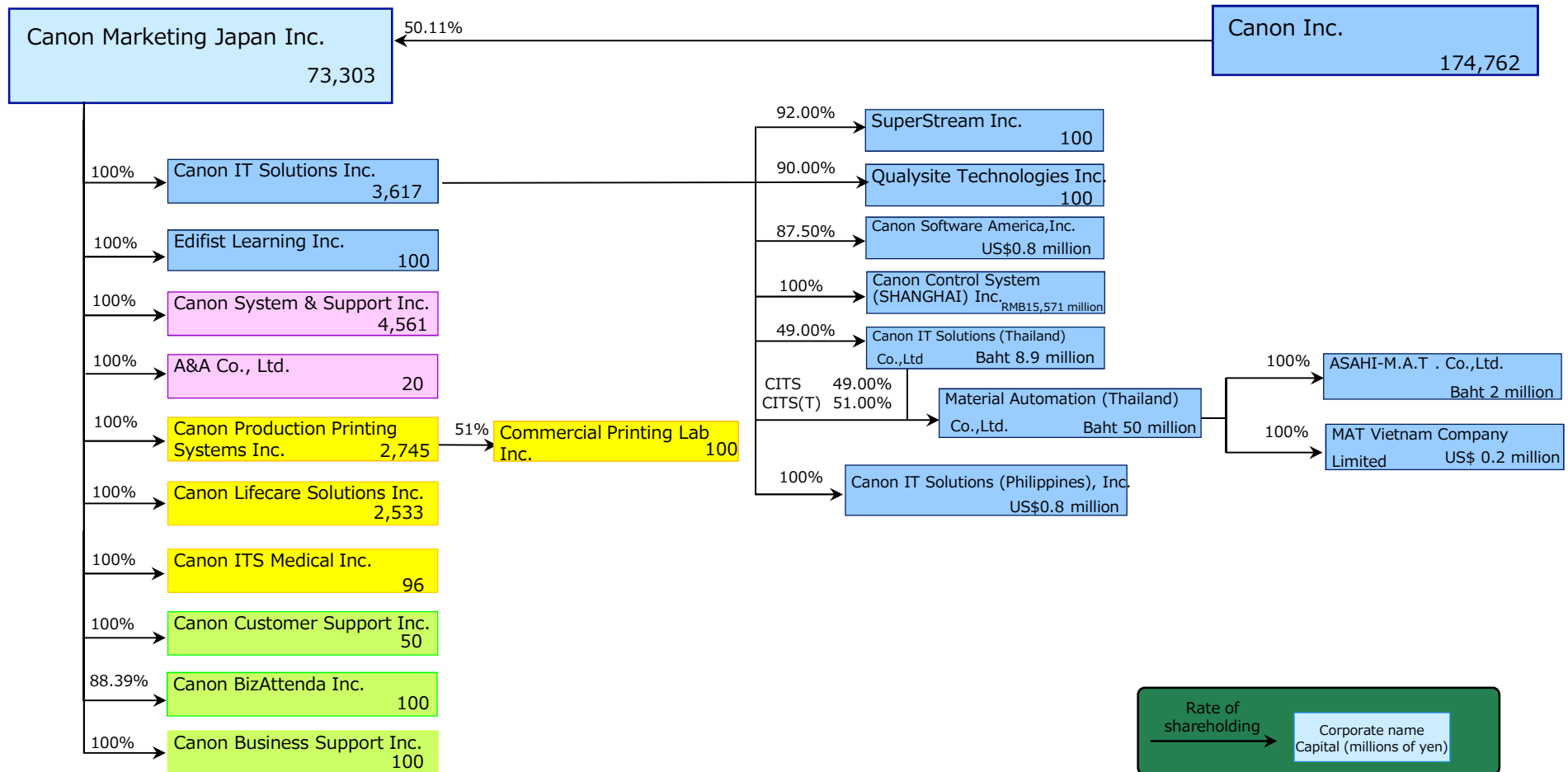
	FY2018								(Billions of Yen)
	1Q		2Q		3Q		4Q		
	Net sales	Op. Income	Net sales	Op. Income	Net sales	Op. Income	Net sales	Op. Income	
Consumers	26.8	-2.1	34.2	1.0	35.3	1.5	53.9	7.0	
Enterprise	47.2	2.2	46.2	2.1	45.9	1.7	48.9	2.7	
Area	66.8	2.7	63.4	2.8	61.8	3.0	65.6	3.6	
Professional	15.0	0.8	11.1	-0.0	9.6	0.0	10.6	0.0	
Other	-5.0	0.2	-5.3	0.0	-5.2	0.0	-5.3	-0.2	
Total	150.8	3.7	149.7	5.9	147.4	6.2	173.7	13.0	

Notes

*1 "Other" includes the intersegment sales, the shared service businesses and the corporate expenses that are not allocated to each segment.

*2 Visual Solutions, a sub-segment of the Professional segment, was transferred to the Enterprise and Area segments in 2019. In addition, the planning and development functions of the security business, which had been dispersed throughout the Group, were integrated into the marketing administration department operated solely by Canon Marketing Japan, resulting in changes in the amount of inter-segment transactions. The segments for ²¹ the results of the previous year are restated according to the classification method for the current period.

Capital Relationship Diagram



As of June 30, 2019

Results of main consolidated companies



(Billions of Yen)

		2Q FY2018		2Q FY2019		Changes	
						Amount	%
Enterprise							
Canon IT Solutions Inc.	Net sales	20.87		22.63		+1.75	+8%
	Op. income	1.78	(8.5%)	1.84	(8.1%)	+0.07	(-0.4%)
Area							
Canon System & Support Inc.	Net sales	29.23		30.69		+1.46	+5%
	Op. income	0.92	(3.2%)	1.20	(3.9%)	+0.27	(+0.7%)
Professional							
Canon Production Printing Systems Inc.	Net sales	3.29		2.47		-0.82	-25%
	Op. income	-0.04	(-)	0.04	(1.7%)	+0.08	(-)
Canon Lifecare Solutions Inc.	Net sales	2.74		2.69		-0.05	-2%
	Op. income	0.03	(1.2%)	0.03	(1.2%)	-0.00	(-0.0%)

* The results of the main affiliated companies for the previous year are also presented after the reclassification of such results due to changes in segment classification.

Results of main consolidated companies



(Billions of Yen)

		1Q-2Q FY2018		1Q-2Q FY2019		Changes	
						Amount	%
Enterprise							
Canon IT Solutions Inc.	Net sales	42.01		46.34		+4.33	+10%
	Op. income	3.49	(8.3%)	4.99	(10.8%)	+1.51	(+2.5%)
Area							
Canon System & Support Inc.	Net sales	59.89		62.01		+2.12	+4%
	Op. income	1.72	(2.9%)	2.44	(3.9%)	+0.73	(+1.1%)
Professional							
Canon Production Printing Systems Inc.	Net sales	6.15		5.37		-0.78	-13%
	Op. income	-0.26	(-)	0.10	(1.8%)	+0.35	(-)
Canon Lifecare Solutions Inc.	Net sales	6.15		5.80		-0.35	-6%
	Op. income	0.18	(2.9%)	0.14	(2.5%)	-0.04	(-0.4%)

* The results of the main affiliated companies for the previous year are also presented after the reclassification of such results due to changes in segment classification.

SG&A expenses



(Billions of Yen)

	FY 2018	FY 2019	Impact of the reclassification of services	FY 2019	Changes
	2Q	2Q		2Q (before the reclassification)	2Q
Advertising expenses	1.9	1.9	-	1.9	+0.0
Promotion expenses	1.1	0.8	-	0.8	-0.3
Warranty expenses	1.1	0.9	0.1	1.0	-0.2
Other direct selling expenses	4.9	4.7	-	4.7	-0.2
Personnel expenses	30.4	26.4	4.8	31.2	+0.8
Depreciation and amortization	0.3	0.2	-	0.2	-0.1
Other selling expenses	7.3	6.8	0.2	7.0	-0.3
Total	47.1	41.7	5.1	46.8	-0.2

SG&A expenses



(Billions of Yen)

	FY 2018	FY 2019	Impact of the reclassification of services	FY 2019	Changes
	1Q-2Q	1Q-2Q		1Q-2Q (before the reclassification)	
Advertising expenses	3.8	3.6	-	3.6	-0.2
Promotion expenses	2.3	1.7	-	1.7	-0.5
Warranty expenses	2.4	1.9	0.1	2.0	-0.3
Other direct selling expenses	9.7	9.3	-	9.3	-0.4
Personnel expenses	61.9	52.9	9.4	62.3	+0.4
Depreciation and amortization	0.6	0.4	-	0.4	-0.2
Other selling expenses	14.6	13.6	0.4	14.0	-0.6
Total	95.3	83.4	10.0	93.4	-2.0

Non-operating income and expenses



(Billions of Yen)

■ Non-operating income

	FY 2018		FY 2019		Changes	
	2Q	1Q-2Q	2Q	1Q-2Q	2Q	1Q-2Q
Interest income	0.1	0.1	0.1	0.1	-0.0	-0.0
Dividend income	0.1	0.1	0.1	0.1	-0.0	-0.0
Insurance income	0.5	0.5	0.5	0.5	-0.1	-0.1
Gain on investments in partnership	0.2	0.5	0.0	0.2	-0.2	-0.3
Other	0.1	0.3	0.1	0.2	+0.0	-0.1
Total	1.0	1.5	0.7	1.0	-0.3	-0.4

■ Non-operating expenses

	FY 2018		FY 2019		Changes	
	2Q	1Q-2Q	2Q	1Q-2Q	2Q	1Q-2Q
Interest expense	0.0	0.0	0.0	0.0	+0.0	+0.0
Other	0.1	0.1	0.0	0.1	-0.0	-0.0
Total	0.1	0.1	0.0	0.1	-0.0	-0.0

Extraordinary income and expenses



(Billions of Yen)

■ Extraordinary income

	FY 2018		FY 2019		Changes	
	2Q	1Q-2Q	2Q	1Q-2Q	2Q	1Q-2Q
Gain on sales of fixed assets	0.0	0.1	0.0	0.0	+0.0	-0.1
Gain on sales of investments in securities	0.4	0.4	-	-	-0.4	-0.4
Gain on sales of shares of subsidiaries and associates	0.2	0.2	-	-	-0.2	-0.2
Total	0.6	0.7	0.0	0.0	-0.6	-0.7

■ Extraordinary expenses

	FY 2018		FY 2019		Changes	
	2Q	1Q-2Q	2Q	1Q-2Q	2Q	1Q-2Q
Loss on sales and disposal of	0.1	0.1	0.1	0.1	+0.1	+0.0
Loss on impairment of fixed assets	0.0	0.0	-	-	-0.0	-0.0
Loss on valuation of investments in securities	-	0.1	0.0	0.0	+0.0	-0.1
Expenses for restructuring of business bases	-	0.0	-	-	-	-0.0
Other	0.0	0.0	0.0	0.0	-0.0	-0.0
Total	0.1	0.3	0.1	0.2	+0.0	-0.1

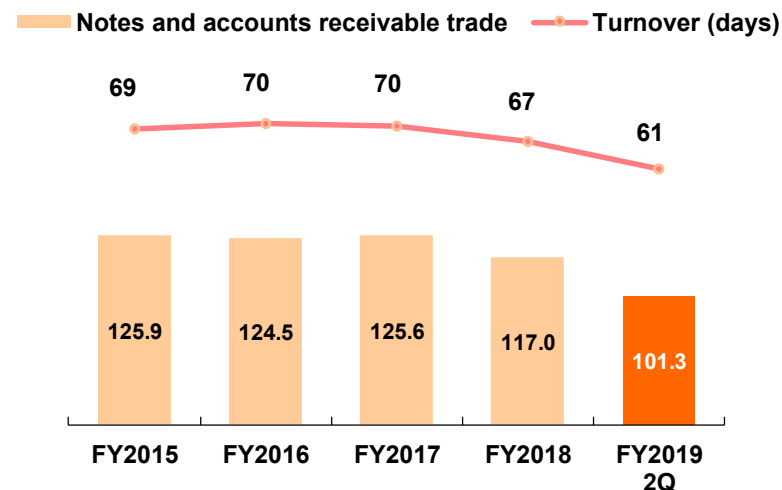
Balance Sheets



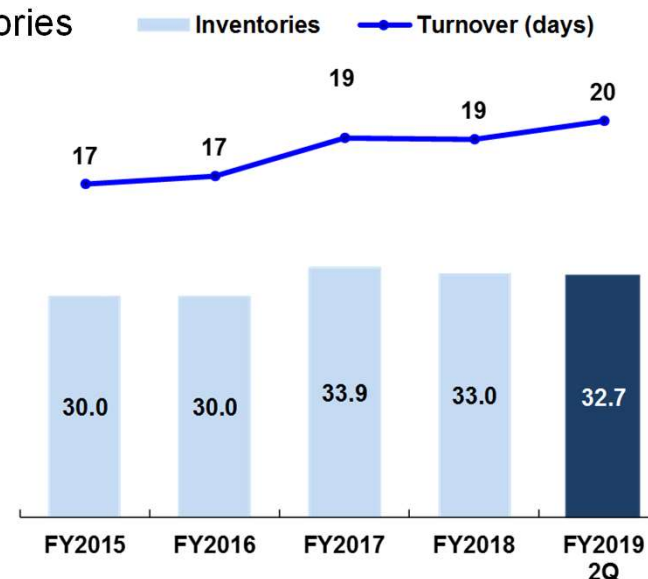
(Billions of Yen)

	Dec. 31 2018	Jun. 30 2019	Changes
Assets	498.8	479.5	-19.3
Current assets	387.2	361.4	-25.8
Cash and deposits	135.6	99.3	-36.2
Notes and accounts receivable	117.0	101.3	-15.7
Inventories	33.0	32.7	-0.4
Other (current assets)	101.6	128.1	+26.5
Non-current assets	111.5	118.1	+6.6
Property, plant and equipment	72.0	75.3	+3.3
Intangible assets	5.3	4.8	-0.5
Investments and other assets	34.3	38.0	+3.7
Liabilities	195.2	169.4	-25.8
Current liabilities	129.9	105.6	-24.3
Notes and accounts payable	75.8	46.2	-29.6
Other (current liabilities)	54.1	59.4	+5.3
Long-term liabilities	65.3	63.8	-1.5
Net assets	303.6	310.1	+6.5
Stakeholders' equity	314.2	318.1	+3.9
(Treasury stock)	-31.9	-31.9	-0.0
Total accumulated other comprehensive income (loss)	-11.1	-8.5	+2.6
Non-controlling interests	0.5	0.6	+0.0
Equity ratio	61%	65%	+4%

Notes and accounts receivable trade



Inventories

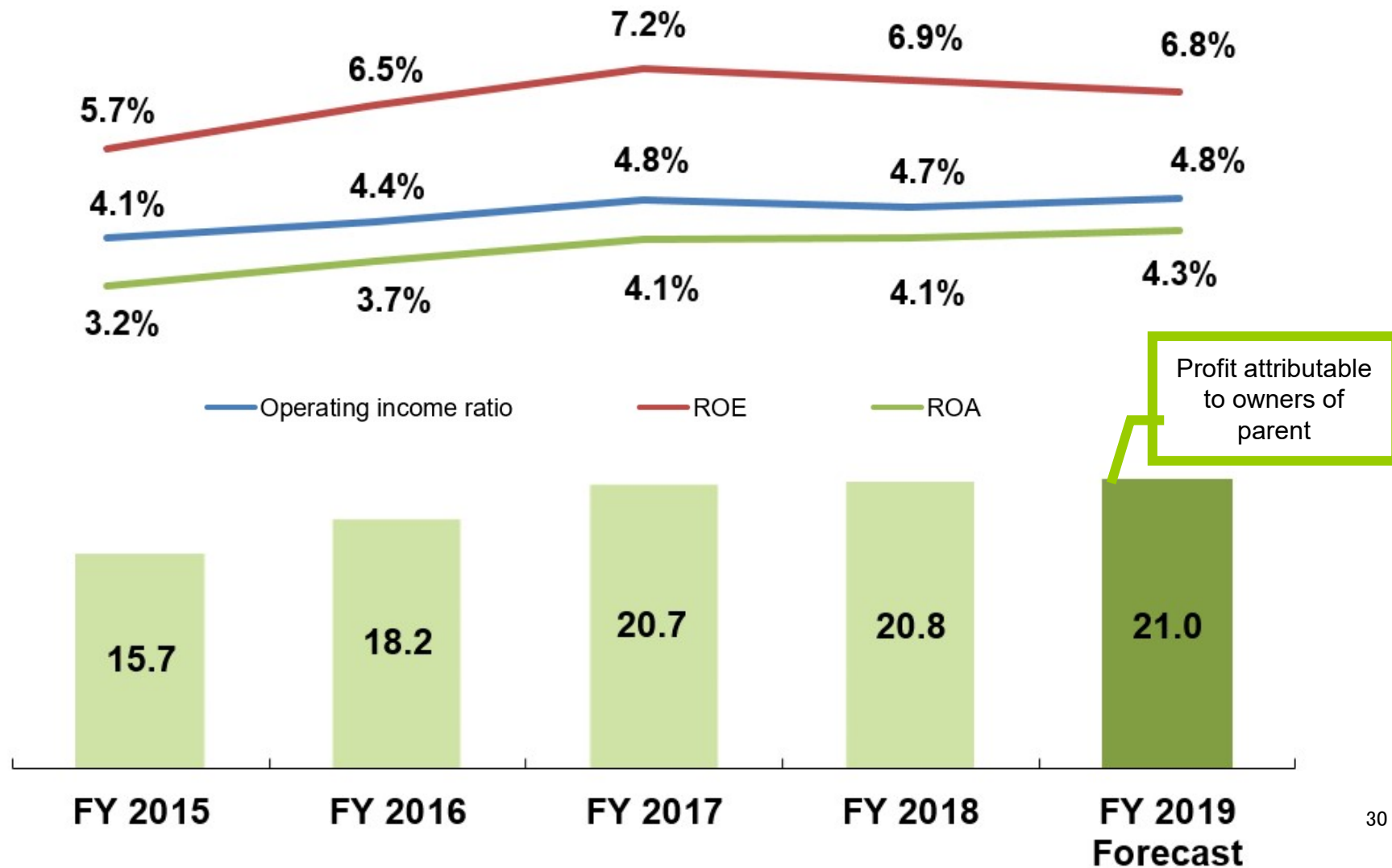


Financial Indicator



(Billions of Yen)

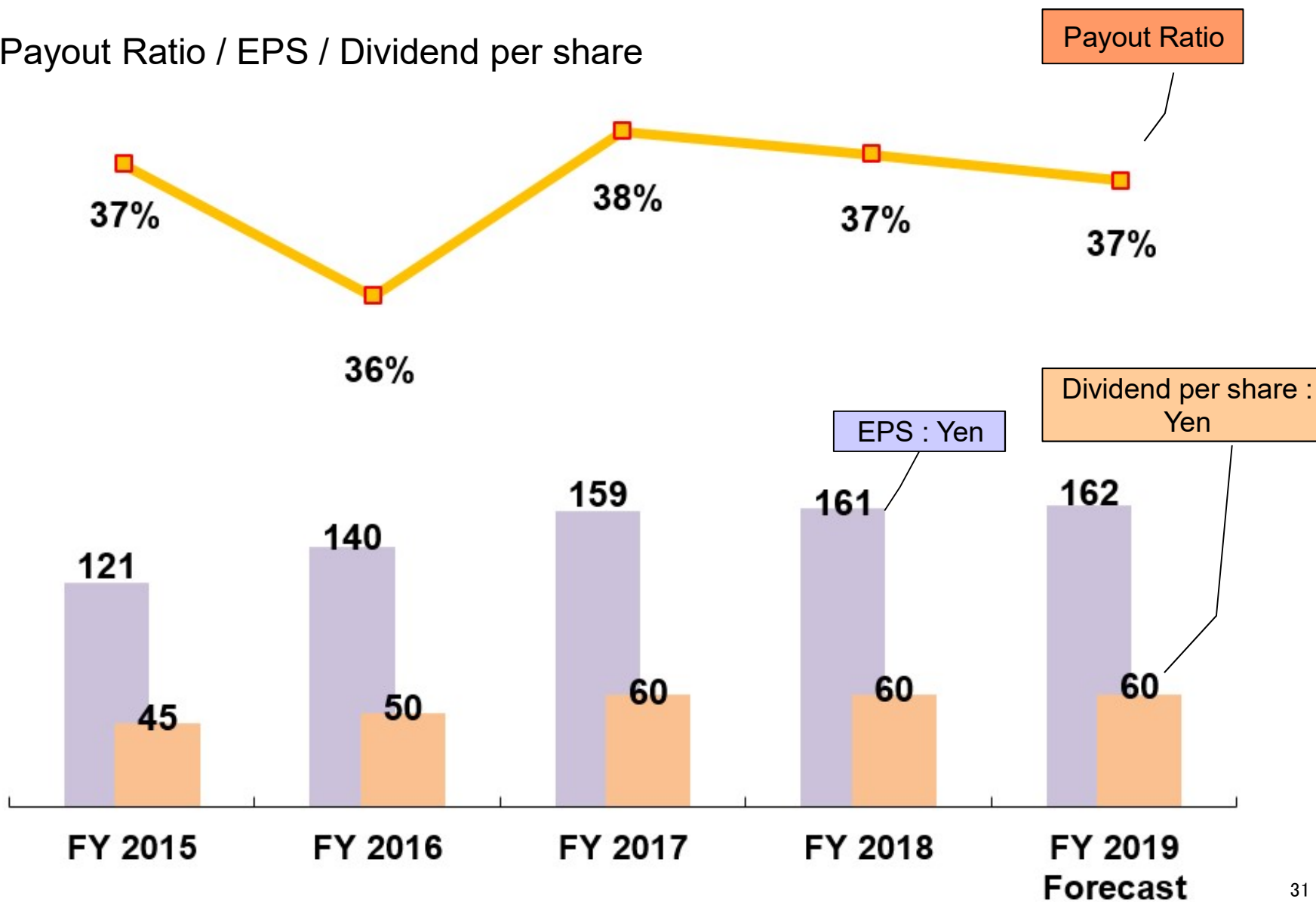
■ Operating income ratio / ROA / ROE



Financial Indicator



■ Payout Ratio / EPS / Dividend per share



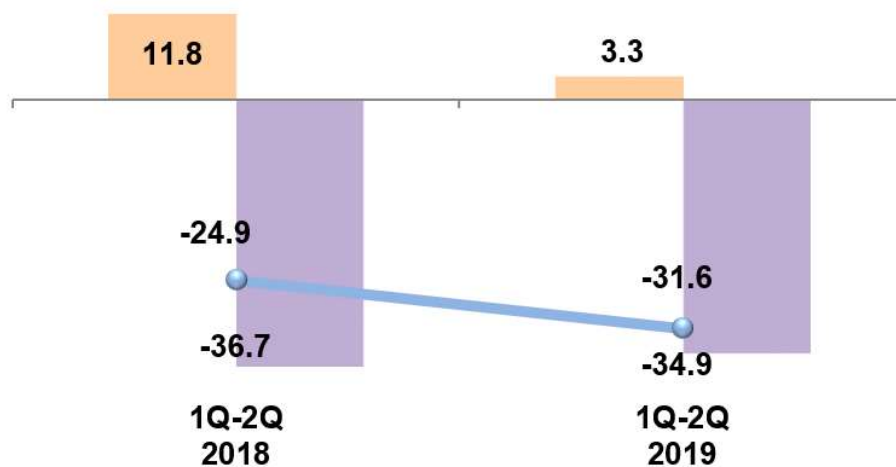
Financial Indicator



(Billions of Yen)

Cash Flow

- Net cash provided by operating activities
- Net cash provided by investing activities
- Free Cash Flow



Investment

	1Q-2Q Actual	3Q-4Q Projection	FY Projection
FY 2018	5.9	4.9	10.7
FY 2019	8.7	16.8	25.5

Depreciation and amortization

	1Q-2Q Actual	3Q-4Q Projection	FY Projection
FY 2018	6.7	6.6	13.3
FY 2019	6.1	6.5	12.6

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