

## Summary Report of Consolidated Financial Results

for the second quarter ended June 30, 2022

Registered company name: **Canon Marketing Japan Inc.**  
 Stock listing: Tokyo Stock Exchange, Prime Market  
 Code number: 8060  
 URL: <https://cweb.canon.jp/eng/ir>  
 Representative director: Masachika Adachi, President  
 Contact: Masahiko Banno, General Manager Accounting Div. Accounting Headquarters  
 Dividend payable date (as planned): August 26, 2022  
 U.S. Accounting Standards Applied: No

1. Consolidated business results for the for the six months ended June 30, 2022 (From January 1, 2022 to June 30, 2022)

(1) Consolidated Results of Operations (Amounts less than one million yen are truncated)

(Percentage represents increases or decreases from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
June 30, 2022	289,873	5.4	27,832	35.2	28,414	32.0	19,372	28.7
June 30, 2021	275,149	4.8	20,586	56.7	21,520	29.2	15,056	51.1

[Note] Comprehensive Income: Six months ended June 30, 2022 : 16,348 million yen [5.1%]

Six months ended June 30, 2021 : 15,559 million yen [44.6%]

	Basic earnings per share	Diluted net income per share
Six months ended	Yen	Yen
June 30, 2022	149.39	149.36
June 30, 2021	116.11	116.10

(2) Consolidated Financial Position

(Amounts less than one million yen are truncated)

	Total assets	Equity	Equity ratio	Net asset per share
	Millions of yen	Millions of yen	%	Yen
Second quarter ended June 30, 2022	528,592	385,179	72.7	2,964.30
Year ended December 31, 2021	526,418	374,676	71.0	2,883.74

[Reference] Shareholders' equity: Second quarter ended June 30, 2022 : 384,402 million yen

Year ended December 31, 2021 : 373,949 million yen

2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2021	-	30.00	-	45.00	75.00
Year ending December 31, 2022	-	40.00			
Year ending December 31, 2022 (forecast)			-	40.00	80.00

[Note] Revision of cash dividend forecast for this period : Yes

3. Consolidated financial forecast for the fiscal year ending December 31, 2022

(Amounts less than one million yen are truncated)

(Percentage represents increases or decreases from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	590,000	6.9	46,000	15.9	47,000	14.4	32,000	8.8	246.77

[Note] Revision of forecast for this period : Yes

\*Others

- (1) Material changes in subsidiaries during this period  
(Changes in scope of consolidations resulting from change is subsidiaries) : None
- (2) Application of a specified accounting procedure : Yes
- (3) Changes in accounting policies and accounting estimates, retrospective restatement
- ( i ) Changes in accounting policies based on revisions of accounting standard : Yes
  - ( ii ) Changes in accounting policies other than ( i ) : None
  - ( iii ) Changes in accounting estimates : None
  - ( iv ) Retrospective restatement : None
- (4) Number of issued and outstanding shares (common stock)
- ( i ) Number of issued and outstanding shares at the end of the period (including treasury stock)
    - As of June 30, 2022 : 131,079,972
    - As of December 31, 2021 : 131,079,972
  - ( ii ) Number of treasury stock at the end of the period
    - As of June 30, 2022 : 1,402,894
    - As of December 31, 2021 : 1,404,790
  - ( iii ) Average number of shares
    - As of June 30, 2022 : 129,676,107
    - As of June 30, 2021 : 129,671,398

\* Audits by CPAs or audit corporations are not required for quarterly financial results.

Disclaimer :

Earnings projections are based on information available at the time these materials were announced, and the Company cannot guarantee that they will be realized. Also, actual results may differ from the estimated figures given due to various factors.

## Consolidated Quarterly Balance Sheets

(Amounts less than one million yen are truncated)

	As of December 31, 2021	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	67,528	88,229
Notes and accounts receivable-trade	107,367	—
Notes, accounts receivable-trade and contract assets	—	90,622
Securities	500	500
Merchandise and finished goods	34,578	34,153
Work in process	145	162
Raw materials and supplies	511	512
Short-term loans receivable	180,004	180,012
Other current assets	5,469	8,185
Allowance for doubtful receivables	(24)	(9)
Total current assets	396,082	402,368
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	45,916	46,461
Machinery, equipment and vehicles, net	77	72
Tools, furniture and fixtures, net	2,760	2,690
Rental assets, net	5,639	4,630
Land	28,359	28,359
Leased assets, net	7	5
Construction in progress	2,392	1,886
Total property, plant and equipment	85,154	84,107
Intangible assets		
Software	6,226	5,798
Utilization rights	303	303
Other intangible assets	0	0
Total intangible assets	6,530	6,102
Investments and other assets		
Investments in securities	17,353	13,222
Long-term loans receivable	35	25
Prepaid pension and severance costs	421	429
Deferred tax assets	14,974	16,436
Lease deposits	2,961	2,873
Other investments and other assets	2,999	3,121
Allowance for doubtful receivables	(95)	(94)
Total investments and other assets	38,651	36,015
Total non-current assets	130,336	126,224
Total assets	526,418	528,592

## Consolidated Quarterly Balance Sheets

(Amounts less than one million yen are truncated)

	As of December 31, 2021	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	46,323	41,587
Lease obligations	52	45
Accrued expenses	16,127	13,279
Accrued income taxes	6,954	8,980
Consumption taxes payable	6,089	4,216
Accrued bonuses	4,148	4,362
Accrued directors' bonuses	98	36
Accrued product warranties	291	290
Accrued loss on order received	308	59
Other current liabilities	26,715	27,322
Total current liabilities	107,109	100,182
Long-term liabilities		
Lease obligations	81	64
Allowance for long-term continuous service rewards	899	900
Accrued pension and severance costs	40,913	39,866
Other long-term liabilities	2,738	2,399
Total long-term liabilities	44,632	43,231
Total liabilities	151,741	143,413
<b>Equity</b>		
Shareholders' equity		
Common stock	73,303	73,303
Capital surplus	82,824	82,827
Retained earnings	208,824	222,361
Treasury stock	(2,092)	(2,090)
Total shareholders' equity	362,859	376,401
Accumulated other comprehensive income (loss)		
Net unrealized gains on available-for-sale securities	7,873	4,919
Deferred gains or losses on hedges	22	97
Foreign currency translation adjustments	125	335
Defined retirement benefit plans	3,067	2,648
Total accumulated other comprehensive income (loss)	11,089	8,000
Stock acquisition rights	—	8
Non-controlling interests	727	768
Total equity	374,676	385,179
Total liabilities and equity	526,418	528,592

## Consolidated Quarterly Statements of Income

(Amounts less than one million yen are truncated)

	Six months of FY2021 (from January 1, 2021 to June 30, 2021)	Six months of FY2022 (from January 1, 2022 to June 30, 2022)
Net sales	275,149	289,873
Cost of sales	180,079	189,126
Gross profit	95,069	100,746
Selling, general and administrative expenses	74,483	72,914
Operating income	20,586	27,832
Non-operating income		
Interest income	135	142
Dividend income	119	143
Insurance income	495	445
Gain on investments in partnership	187	—
Other, net	130	148
Total non-operating income	1,069	879
Non-operating expenses		
Interest expense	6	6
Foreign exchange losses	37	64
Loss on investments in partnership	—	150
Other, net	91	76
Total non-operating expenses	135	297
Ordinary income	21,520	28,414
Extraordinary income		
Gain on sales of fixed assets	4	1
Gain on sales of investments in securities	2	13
Gain on sales of shares of subsidiaries and associates	895	—
Other, net	1	0
Total extraordinary income	903	15
Extraordinary losses		
Loss on sales and disposal of fixed assets	62	49
Loss on disaster	168	—
Loss on valuation of investments in securities	—	4
Other, net	—	0
Total extraordinary losses	231	53
Net income before income taxes	22,192	28,376
Income taxes	7,101	8,969
Net income	15,091	19,406
Net income attributable to non-controlling interests	34	34
Net income attributable to owners of parent	15,056	19,372

## Consolidated Quarterly Statements of Comprehensive Income

(Amounts less than one million yen are truncated)

	Six months of FY2021 (from January 1, 2021 to June 30, 2021)	Six months of FY2022 (from January 1, 2022 to June 30, 2022)
Net income	15,091	19,406
Other comprehensive income (loss)		
Net unrealized gains or losses on available-for-sale securities	161	(2,955)
Deferred gains / (losses) on hedges	42	74
Foreign currency translation adjustments	78	241
Defined retirement benefit plans, net of tax	186	(419)
Total other comprehensive income (loss)	468	(3,058)
Comprehensive income	15,559	16,348
Comprehensive income attributable to		
Owners of parent	15,515	16,283
Non-controlling interests	44	65

## Consolidated Quarterly Statements of Cash Flows

(Amounts less than one million yen are truncated)

	Six months of FY2021 (from January 1, 2021 to June 30, 2021)	Six months of FY2022 (from January 1, 2022 to June 30, 2022)
Cash flows from operating activities		
Net income before income taxes	22,192	28,376
Depreciation and amortization	5,222	4,877
Increase (decrease) in allowance for doubtful receivables	(134)	(14)
Increase (decrease) in accrued pension and severance costs	(212)	(1,649)
Decrease (increase) in prepaid pension and severance costs	(23)	(19)
Increase (decrease) in accrued bonuses	(873)	213
Interest and dividend income	(254)	(285)
Interest expense	6	6
Loss (gain) on sales and disposal of property, plant and equipment, net	52	46
Loss (gain) on sales of investments in securities	(2)	(13)
Loss (gain) on valuation of investments in securities	—	4
Loss (gain) on sales of shares of subsidiaries and associates	(895)	—
Loss (gain) on investments in partnership	(187)	150
Decrease (increase) in notes and accounts receivable-trade	19,318	16,855
Decrease (increase) in inventories	(1,775)	421
Increase (decrease) in notes and accounts payable-trade	(3,129)	(4,807)
Other, net	(1,901)	(5,679)
Subtotal	37,401	38,481
Interest and dividends received	254	285
Interest paid	(6)	(6)
Income taxes paid	(6,800)	(7,004)
Net cash provided by operating activities	30,848	31,756
Cash flows from investing activities		
Payments for purchases of property, plant and equipment	(9,610)	(4,312)
Proceeds from sales of property, plant and equipment	6	17
Payments for purchases of intangible assets	(967)	(460)
Payments for purchases of investments in securities	(869)	(370)
Proceeds from sales of investments in securities	388	18
Proceeds from sales of shares of a subsidiary resulting in change in scope of consolidation	1,062	—
Decrease (increase) in short-term loans receivable, net.	2	1
Other, net	(370)	(476)
Net cash provided by (used in) investing activities	(10,357)	(5,582)
Cash flows from financing activities		
Repayments of finance lease obligations	(29)	(28)
Payments for purchases of treasury stock	(1)	(1)
Dividends paid	(5,183)	(5,833)
Dividends paid to non-controlling interests	(21)	(23)
Net cash used in financing activities	(5,237)	(5,887)
Effect of exchange rate changes on cash and cash equivalents	97	414
Net increase (decrease) in cash and cash equivalents	15,351	20,700
Cash and cash equivalents at beginning of period	60,131	68,028
Cash and cash equivalents at end of period	75,483	88,729

## Consolidated Quaterly Segment Information

### I. Six months of FY2021 (from January 1, 2021 to June 30, 2021)

Information on net sales and income (loss) by reportable segment (Amounts less than one million yen are truncated)

	Reportable segment				Other	Total	Adjustment	Consolidated
	Consumers	Enterprise	Area	Professional				
Net sales								
Sales - external customers	61,209	86,721	110,517	15,392	1,308	275,149	-	275,149
Sales - intersegment	21	5,167	5,697	751	3,888	15,526	(15,526)	-
Total	61,230	91,889	116,215	16,143	5,197	290,676	(15,526)	275,149
Operating income (loss)	6,684	6,244	7,314	1,532	(1,216)	20,558	28	20,586

[Note]

1. Other includes call center business and BPO service business, which are not included in reportable segments.
2. Adjustment of Operating income (loss) is the elimination of intersegment transactions.
3. Total amount of Operating income (loss) for Reportable segments, Other and Adjustment is equal to the Operating income of Consolidated Quarterly Statements of Income.

### II. Six months of FY2022 (from January 1, 2022 to June 30, 2022)

Information on net sales and income (loss) by reportable segment (Amounts less than one million yen are truncated)

	Reportable segment				Other	Total	Adjustment	Consolidated
	Consumers	Enterprise	Area	Professional				
Net sales								
Sales - external customers	62,737	95,281	107,090	23,204	1,560	289,873	-	289,873
Sales - intersegment	20	5,255	5,713	679	3,879	15,549	(15,549)	-
Total	62,757	100,536	112,803	23,884	5,440	305,423	(15,549)	289,873
Operating income (loss)	6,637	9,499	8,548	4,081	(961)	27,805	26	27,832

[Note]

1. Other includes call center business and BPO service business, which are not included in reportable segments.
2. Adjustment of Operating income (loss) is the elimination of intersegment transactions.
3. Total amount of Operating income (loss) for Reportable segments, Other and Adjustment is equal to the Operating income of Consolidated Quarterly Statements of Income.