

## Summary Report of Consolidated Financial Results

for the third quarter ended September 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): —  
 U.S. Accounting Standards Applied: No

1.Consolidated business results for the for the nine months ended September 30, 2022(From January 1, 2022 to September 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	%
Nine months ended								
September 30, 2022	428,079	7.5	37,853	42.0	38,614	38.9	26,670	31.5
September 30, 2021	398,195	1.3	26,661	30.8	27,806	15.5	20,274	41.2

[Note] Comprehensive Income: Nine months ended September 30, 2022 : 23,075million yen [(15.2%)]

Nine months ended September 30, 2021 : 27,196 million yen [71.8%]

	Basic earnings per share	Diluted net income per share
Nine months ended	Yen	Yen
September 30, 2022	205.67	205.63
September 30, 2021	156.35	156.33

(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
Third quarter ended September 30, 2022	532,311	386,726	72.5	2,975.96
Year ended December 31, 2021	526,418	374,676	71.0	2,883.74

[Reference] Shareholders' equity: Third quarter ended September 30, 2022 : 385,911 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)				45.00	85.00

[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	592,000	7.2	48,000	20.9	49,000	19.2	34,000	15.6	262.19

[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 September 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 September 30, 2022 : 1,403,466
    - As of December 31, 2021 : 1,404,790
  - ( iii ) Average number of shares
    - As of September 30, 2022 : 129,676,300
    - As of September 30, 2021 : 129,672,788

\* 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 September 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	67,528	86,284
Notes and accounts receivable-trade	107,367	—
Notes, accounts receivable-trade and contract assets	—	91,677
Securities	500	500
Merchandise and finished goods	34,578	39,674
Work in process	145	132
Raw materials and supplies	511	486
Short-term loans receivable	180,004	180,012
Other current assets	5,469	7,347
Allowance for doubtful receivables	(24)	(11)
<b>Total current assets</b>	<b>396,082</b>	<b>406,101</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	45,916	48,197
Machinery, equipment and vehicles, net	77	70
Tools, furniture and fixtures, net	2,760	2,650
Rental assets, net	5,639	4,429
Land	28,359	28,359
Leased assets, net	7	16
Construction in progress	2,392	884
<b>Total property, plant and equipment</b>	<b>85,154</b>	<b>84,608</b>
<b>Intangible assets</b>		
Software	6,226	5,541
Goodwill	—	345
Utilization rights	303	302
Other intangible assets	0	0
<b>Total intangible assets</b>	<b>6,530</b>	<b>6,189</b>
<b>Investments and other assets</b>		
Investments in securities	17,353	12,159
Long-term loans receivable	35	25
Prepaid pension and severance costs	421	434
Deferred tax assets	14,974	16,774
Lease deposits	2,961	2,838
Other investments and other assets	2,999	3,274
Allowance for doubtful receivables	(95)	(95)
<b>Total investments and other assets</b>	<b>38,651</b>	<b>35,412</b>
<b>Total non-current assets</b>	<b>130,336</b>	<b>126,209</b>
<b>Total assets</b>	<b>526,418</b>	<b>532,311</b>

## Consolidated Quarterly Balance Sheets

(Amounts less than one million yen are truncated)

	As of December 31, 2021	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	46,323	44,543
Lease obligations	52	46
Accrued expenses	16,127	12,240
Accrued income taxes	6,954	4,909
Consumption taxes payable	6,089	4,061
Accrued bonuses	4,148	13,232
Accrued directors' bonuses	98	55
Accrued product warranties	291	308
Accrued loss on order received	308	47
Other current liabilities	26,715	23,792
Total current liabilities	107,109	103,238
Long-term liabilities		
Lease obligations	81	74
Allowance for long-term continuous service rewards	899	678
Accrued pension and severance costs	40,913	39,239
Other long-term liabilities	2,738	2,355
Total long-term liabilities	44,632	42,347
Total liabilities	151,741	145,585
<b>Equity</b>		
Shareholders' equity		
Common stock	73,303	73,303
Capital surplus	82,824	82,827
Retained earnings	208,824	224,473
Treasury stock	(2,092)	(2,092)
Total shareholders' equity	362,859	378,511
Accumulated other comprehensive income (loss)		
Net unrealized gains on available-for-sale securities	7,873	4,429
Deferred gains or losses on hedges	22	109
Foreign currency translation adjustments	125	421
Defined retirement benefit plans	3,067	2,439
Total accumulated other comprehensive income (loss)	11,089	7,400
Stock acquisition rights	—	17
Non-controlling interests	727	796
Total equity	374,676	386,726
Total liabilities and equity	526,418	532,311

## Consolidated Quarterly Statements of Income

(Amounts less than one million yen are truncated)

	Nine months of FY2021 (from January 1, 2021 to September 30, 2021)	Nine months of FY2022 (from January 1, 2022 to September 30, 2022)
Net sales	398,195	428,079
Cost of sales	259,956	280,676
Gross profit	138,239	147,402
Selling, general and administrative expenses	111,577	109,549
Operating income	26,661	37,853
Non-operating income		
Interest income	204	218
Dividend income	124	149
Insurance income	500	449
Gain on investments in partnership	282	—
Other, net	165	182
Total non-operating income	1,277	999
Non-operating expenses		
Interest expense	9	9
Foreign exchange losses	8	19
Loss on investments in partnership	—	94
Other, net	115	115
Total non-operating expenses	132	238
Ordinary income	27,806	38,614
Extraordinary income		
Gain on sales of fixed assets	5	3
Gain on sales of investments in securities	1,255	393
Gain on sales of shares of subsidiaries and associates	895	—
Gain on casualty insurance	202	—
Other, net	1	0
Total extraordinary income	2,360	397
Extraordinary losses		
Loss on sales and disposal of fixed assets	92	75
Loss on disaster	168	—
Loss on sales of investments in securities	—	18
Loss on valuation of investments in securities	—	3
Other, net	26	—
Total extraordinary losses	287	96
Net income before income taxes	29,879	38,915
Income taxes	9,559	12,193
Net income	20,319	26,721
Net income attributable to non-controlling interests	44	50
Net income attributable to owners of parent	20,274	26,670

## Consolidated Quarterly Statements of Comprehensive Income

(Amounts less than one million yen are truncated)

	Nine months of FY2021 (from January 1, 2021 to September 30, 2021)	Nine months of FY2022 (from January 1, 2022 to September 30, 2022)
Net income	20,319	26,721
Other comprehensive income (loss)		
Net unrealized gains or losses on available-for-sale securities	6,370	(3,445)
Deferred gains / (losses) on hedges	55	87
Foreign currency translation adjustments	101	340
Defined retirement benefit plans, net of tax	349	(628)
Total other comprehensive income (loss)	6,876	(3,646)
Comprehensive income	27,196	23,075
Comprehensive income attributable to		
Owners of parent	27,139	22,981
Non-controlling interests	56	93

## Consolidated Quarterly Statements of Cash Flows

(Amounts less than one million yen are truncated)

	Nine months of FY2021 (from January 1, 2021 to September 30, 2021)	Nine months of FY2022 (from January 1, 2022 to September 30, 2022)
Cash flows from operating activities		
Net income before income taxes	29,879	38,915
Depreciation and amortization	7,758	7,187
Amortization of goodwill	—	11
Increase (decrease) in allowance for doubtful receivables	(153)	(12)
Increase (decrease) in accrued pension and severance costs	(414)	(2,574)
Decrease (increase) in prepaid pension and severance costs	(34)	(30)
Increase (decrease) in accrued bonuses	7,796	9,076
Interest and dividend income	(329)	(367)
Interest expense	9	9
Loss (gain) on sales and disposal of property, plant and equipment, net	81	64
Loss (gain) on sales of investments in securities	(1,255)	(375)
Loss (gain) on valuation of investments in securities	—	3
Loss (gain) on sales of shares of subsidiaries and associates	(895)	—
Loss (gain) on investments in partnership	(282)	94
Decrease (increase) in notes and accounts receivable-trade	24,750	15,980
Decrease (increase) in inventories	(5,470)	(5,050)
Increase (decrease) in notes and accounts payable-trade	(4,408)	(1,859)
Other, net	(7,617)	(10,526)
Subtotal	49,412	50,546
Interest and dividends received	327	366
Interest paid	(9)	(9)
Income taxes paid	(13,071)	(13,755)
Net cash provided by operating activities	36,659	37,148
Cash flows from investing activities		
Payments for purchases of property, plant and equipment	(11,697)	(6,337)
Proceeds from sales of property, plant and equipment	16	24
Payments for purchases of intangible assets	(1,787)	(636)
Payments for purchases of investments in securities	(987)	(514)
Proceeds from sales of investments in securities	1,889	667
Payments for purchases of shares of a subsidiary resulting in change in scope of consolidation	—	(209)
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	(593)	(536)
Net cash provided by (used in) investing activities	(12,094)	(7,540)
Cash flows from financing activities		
Repayments of finance lease obligations	(45)	(42)
Payments for purchases of treasury stock	(2)	(3)
Dividends paid	(9,070)	(11,016)
Dividends paid to non-controlling interests	(21)	(23)
Other, net	—	(155)
Net cash used in financing activities	(9,140)	(11,241)
Effect of exchange rate changes on cash and cash equivalents	162	390
Net increase (decrease) in cash and cash equivalents	15,588	18,755
Cash and cash equivalents at beginning of period	60,131	68,028
Cash and cash equivalents at end of period	75,719	86,784

## Consolidated Quaterly Segment Information

### I. Nine months of FY2021 (from January 1, 2021 to September 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	87,917	129,287	156,885	21,758	2,346	398,195	-	398,195
Sales - intersegment	30	7,641	8,542	1,071	5,825	23,111	(23,111)	-
Total	87,947	136,929	165,428	22,830	8,171	421,307	(23,111)	398,195
Operating income (loss)	8,427	9,166	8,861	1,955	(1,782)	26,628	33	26,661

[Note]

1. Other includes shared service business, which is 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. Nine months of FY2022 (from January 1, 2022 to September 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	93,901	140,802	158,689	32,290	2,395	428,079	-	428,079
Sales - intersegment	26	8,187	8,534	972	5,725	23,446	(23,446)	-
Total	93,928	148,989	167,223	33,262	8,121	451,525	(23,446)	428,079
Operating income (loss)	9,520	12,945	11,746	5,176	(1,472)	37,918	(64)	37,853

[Note]

1. Other includes shared service business, which is 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.