



## Canon Electronics Inc.

### Semi-Annual Report 2023(Unaudited)

#### Consolidated Financial Highlights

Millions of yen  
(Amounts less than one million yen are truncated)

	Six months of FY2022 (from January 1, 2022 to June 30, 2022)	Six months of FY2023 (from January 1, 2023 to June 30, 2023)
Net sales		
Component	26,150	28,657
Electronic Information Appliance	14,440	14,177
Other	4,871	5,654
Total	45,462	48,489
Profit attributable to owners of parent	2,855	3,134

	Six months of FY2022 (from January 1, 2022 to June 30, 2022)	Six months of FY2023 (from January 1, 2023 to June 30, 2023)
Basic earnings per share	69.87 yen	76.68 yen
Diluted earnings per share	—	—

Millions of yen  
(Amounts less than one million yen are truncated)

	As of December 31, 2022	As of June 30, 2023
Total assets	137,493	137,985
Net assets	111,296	113,794

## Consolidated Quarterly Balance Sheets

	Millions of yen (Amounts less than one million yen are truncated)	
	As of December 31, 2022	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	24,764	27,444
Notes and accounts receivable - trade, and contract assets	27,317	23,226
Investments in leases	161	111
Merchandise and finished goods	2,759	3,010
Work in process	11,747	13,619
Raw materials and supplies	191	190
Short-term loans receivable	20,000	20,000
Other	1,951	2,066
Total current assets	88,893	89,670
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,897	14,658
Machinery, equipment and vehicles, net	2,300	2,450
Tools, furniture and fixtures, net	4,060	3,726
Land	18,600	18,601
Leased assets, net	630	620
Construction in progress	644	422
Total property, plant and equipment	41,134	40,480
Intangible assets	1,634	1,612
Investments and other assets		
Investment securities	2,091	2,303
Deferred tax assets	916	672
Retirement benefit asset	2,138	2,437
Other	684	809
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	5,830	6,222
Total non-current assets	48,599	48,315
Total assets	137,493	137,985

## Consolidated Quarterly Balance Sheets

Millions of yen

(Amounts less than one million yen are truncated)

	As of December 31, 2022	As of June 30, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	12,013	12,049
Electronically recorded obligations - operating	748	949
Lease liabilities	148	118
Accrued expenses	1,301	1,232
Income taxes payable	2,036	1,051
Provision for bonuses	420	438
Provision for bonuses for directors (and other officers)	84	22
Provision for loss on orders received	472	649
Other	3,072	1,835
<b>Total current liabilities</b>	<b>20,298</b>	<b>18,345</b>
<b>Non-current liabilities</b>		
Bonds payable	300	300
Long-term borrowings	3,200	3,200
Lease liabilities	684	638
Deferred tax liabilities	37	51
Provision for retirement benefits for directors (and other officers)	200	181
Retirement benefit liability	1,475	1,465
Other	0	7
<b>Total non-current liabilities</b>	<b>5,898</b>	<b>5,845</b>
<b>Total liabilities</b>	<b>26,196</b>	<b>24,191</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	4,969	4,969
Capital surplus	10,609	10,609
Retained earnings	93,167	95,075
Treasury shares	(2,482)	(2,458)
<b>Total shareholders' equity</b>	<b>106,263</b>	<b>108,195</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	356	525
Foreign currency translation adjustment	1,938	2,901
Remeasurements of defined benefit plans	(924)	(895)
<b>Total accumulated other comprehensive income</b>	<b>1,370</b>	<b>2,530</b>
<b>Non-controlling interests</b>	<b>3,662</b>	<b>3,068</b>
<b>Total net assets</b>	<b>111,296</b>	<b>113,794</b>
<b>Total liabilities and net assets</b>	<b>137,493</b>	<b>137,985</b>

## Consolidated Quarterly Statements of Income

Millions of yen  
(Amounts less than one million yen are truncated)

	Six months of FY2022 (from January 1, 2022 to June 30, 2022)	Six months of FY2023 (from January 1, 2023 to June 30, 2023)
Net sales	45,462	48,489
Cost of sales	36,815	39,903
Gross profit	8,646	8,585
Selling, general and administrative expenses	6,050	6,106
Operating profit	2,596	2,479
Non-operating income		
Interest and dividend income	63	50
Subsidy income	23	647
Foreign exchange gains	1,050	617
Other	25	14
Total non-operating income	1,163	1,330
Non-operating expenses		
Interest expenses	17	23
Share issuance costs	1	-
Other	3	2
Total non-operating expenses	21	26
Ordinary profit	3,737	3,784
Extraordinary income		
Gain on sale of non-current assets	0	4
Gain on sale of golf membership	-	2
Total extraordinary income	0	6
Extraordinary losses		
Loss on sale and retirement of non-current assets	7	18
Total extraordinary losses	7	18
Profit before income taxes	3,730	3,772
Income taxes - current	1,158	1,062
Income taxes - deferred	258	168
Total income taxes	1,417	1,231
Profit	2,313	2,540
Loss attributable to non-controlling interests	(541)	(593)
Profit attributable to owners of parent	2,855	3,134

## Consolidated Quarterly Statements of Comprehensive Income

	Millions of yen (Amounts less than one million yen are truncated)	
	Six months of FY2022 (from January 1, 2022 to June 30, 2022)	Six months of FY2023 (from January 1, 2023 to June 30, 2023)
Profit	2,313	2,540
Other comprehensive income		
Valuation difference on available-for-sale securities	(22)	168
Foreign currency translation adjustment	1,479	962
Remeasurements of defined benefit plans, net of tax	93	28
Total other comprehensive income	<u>1,550</u>	<u>1,160</u>
Comprehensive income	<u>3,863</u>	<u>3,701</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,405	4,295
Comprehensive income attributable to non-controlling interests	(541)	(593)

## Consolidated Quarterly Statements of Cash Flows

Millions of yen

(Amounts less than one million yen are truncated)

	Six months of FY2022 (from January 1, 2022 to June 30, 2022)	Six months of FY2023 (from January 1, 2023 to June 30, 2023)
Cash flows from operating activities		
Profit before income taxes	3,730	3,772
Depreciation	1,670	1,811
Increase (decrease) in provision for bonuses	(10)	9
Increase (decrease) in provision for bonuses for directors (and other officers)	(36)	(62)
Increase (decrease) in provision for loss on orders received	(3)	176
Increase (decrease) in retirement benefit liability	(798)	(29)
Decrease (increase) in retirement benefit asset	-	(299)
Interest and dividend income	(63)	(50)
Interest expenses	17	23
Loss (gain) on sale and retirement of property, plant and equipment	7	14
Decrease (increase) in trade receivables	(1,784)	4,503
Decrease (increase) in inventories	(2,902)	(1,907)
Increase (decrease) in trade payables	2,127	28
Other, net	812	(497)
Subtotal	2,763	7,492
Interest and dividends received	64	82
Interest paid	(32)	(23)
Income taxes paid	(1,830)	(2,013)
Net cash provided by (used in) operating activities	965	5,538
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,757)	(1,813)
Proceeds from sale of property, plant and equipment	4	5
Purchase of intangible assets	(153)	(95)
Purchase of investment securities	(1)	(1)
Proceeds from collection of loans receivable	3,000	-
Loan advances	(3,000)	-
Other, net	(60)	(194)
Net cash provided by (used in) investing activities	(3,967)	(2,098)
Cash flows from financing activities		
Dividends paid	(1,021)	(1,228)
Proceeds from share issuance to non-controlling shareholders	400	-
Repayments of lease liabilities	(46)	(27)
Other, net	20	23
Net cash provided by (used in) financing activities	(647)	(1,231)
Effect of exchange rate change on cash and cash equivalents	956	472
Net increase (decrease) in cash and cash equivalents	(2,693)	2,679
Cash and cash equivalents at beginning of period	22,206	23,344
Cash and cash equivalents at end of period	19,512	26,024