



Canon Electronics Inc.

Semi-Annual Report 2024(Unaudited)

Consolidated Financial Highlights

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

	Six months of FY2023 (from January 1, 2023 to June 30, 2023)	Six months of FY2024 (from January 1, 2024 to June 30, 2024)
Net sales		
Component	28,657	27,596
Electronic Information Appliance	14,177	14,318
Other	5,654	5,808
Total	48,489	47,723
Profit attributable to owners of parent	3,134	3,571

	Six months of FY2023 (from January 1, 2023 to June 30, 2023)	Six months of FY2024 (from January 1, 2024 to June 30, 2024)
Basic earnings per share	76.68 yen	87.36 yen
Diluted earnings per share	—	—

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

	As of December 31, 2023	As of June 30, 2024
Total assets	131,145	138,527
Net assets	113,845	118,095

Consolidated Balance Sheets

	Millions of yen (Amounts less than one million yen are truncated)	
	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	27,483	32,743
Notes and accounts receivable - trade, and contract assets	23,862	24,981
Investments in leases	160	945
Merchandise and finished goods	1,870	2,489
Work in process	11,715	11,586
Raw materials and supplies	206	203
Short-term loans receivable	22,000	22,000
Other	967	1,077
Total current assets	<u>88,266</u>	<u>96,027</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,632	11,434
Machinery, equipment and vehicles, net	2,075	2,186
Tools, furniture and fixtures, net	3,395	3,368
Land	15,313	15,324
Leased assets, net	17	18
Construction in progress	669	526
Total property, plant and equipment	<u>33,104</u>	<u>32,859</u>
Intangible assets	<u>1,433</u>	<u>1,454</u>
Investments and other assets		
Investment securities	2,481	2,664
Shares of subsidiaries and associates	937	377
Deferred tax assets	365	380
Retirement benefit asset	3,745	3,853
Other	810	909
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	<u>8,340</u>	<u>8,186</u>
Total non-current assets	<u>42,878</u>	<u>42,500</u>
Total assets	<u>131,145</u>	<u>138,527</u>

Consolidated Balance Sheets

Millions of yen

(Amounts less than one million yen are truncated)

	As of December 31, 2023	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	9,660	12,162
Electronically recorded obligations - operating	741	703
Lease liabilities	65	292
Accrued expenses	1,369	1,400
Income taxes payable	1,129	1,176
Provision for bonuses	419	427
Provision for bonuses for directors (and other officers)	80	23
Provision for loss on orders received	18	21
Other	2,045	1,850
Total current liabilities	15,531	18,057
Non-current liabilities		
Lease liabilities	107	667
Deferred tax liabilities	50	77
Provision for retirement benefits for directors (and other officers)	181	181
Retirement benefit liability	1,428	1,447
Other	0	0
Total non-current liabilities	1,768	2,374
Total liabilities	17,299	20,431
Net assets		
Shareholders' equity		
Share capital	4,969	4,969
Capital surplus	10,609	10,617
Retained earnings	97,283	99,629
Treasury shares	(2,459)	(2,435)
Total shareholders' equity	110,403	112,780
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	643	812
Foreign currency translation adjustment	2,662	4,362
Remeasurements of defined benefit plans	(15)	(20)
Total accumulated other comprehensive income	3,289	5,153
Non-controlling interests	153	161
Total net assets	113,845	118,095
Total liabilities and net assets	131,145	138,527

Consolidated Statements of Income

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

	Six months of FY2023 (from January 1, 2023 to June 30, 2023)	Six months of FY2024 (from January 1, 2024 to June 30, 2024)
Net sales	48,489	47,723
Cost of sales	39,903	38,125
Gross profit	8,585	9,598
Selling, general and administrative expenses	6,106	4,785
Operating profit	2,479	4,813
Non-operating income		
Interest and dividend income	50	57
Subsidy income	647	15
Foreign exchange gains	617	617
Other	14	15
Total non-operating income	1,330	706
Non-operating expenses		
Interest expenses	23	1
Share of loss of entities accounted for using equity method	-	963
Other	2	3
Total non-operating expenses	26	968
Ordinary profit	3,784	4,551
Extraordinary income		
Gain on change in equity	-	402
Gain on sale of non-current assets	4	123
Gain on sale of investment securities	-	0
Gain on sale of golf club membership	2	27
Total extraordinary income	6	554
Extraordinary losses		
Loss on sale and retirement of non-current assets	18	2
Loss on valuation of investment securities	-	294
Total extraordinary losses	18	297
Profit before income taxes	3,772	4,809
Income taxes - current	1,062	1,298
Income taxes - deferred	168	(69)
Total income taxes	1,231	1,228
Profit	2,540	3,580
Profit (loss) attributable to non-controlling interests	(593)	8
Profit attributable to owners of parent	3,134	3,571

Consolidated Statements of Comprehensive Income

	Millions of yen (Amounts less than one million yen are truncated)	
	Six months of FY2023 (from January 1, 2023 to June 30, 2023)	Six months of FY2024 (from January 1, 2024 to June 30, 2024)
Profit	2,540	3,580
Other comprehensive income		
Valuation difference on available-for-sale securities	168	169
Foreign currency translation adjustment	962	1,700
Remeasurements of defined benefit plans, net of tax	28	(5)
Total other comprehensive income	1,160	1,864
Comprehensive income	3,701	5,445
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,295	5,436
Comprehensive income attributable to non-controlling interests	(593)	8

Consolidated Statements of Cash Flows

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

	Six months of FY2023 (from January 1, 2023 to June 30, 2023)	Six months of FY2024 (from January 1, 2024 to June 30, 2024)
Cash flows from operating activities		
Profit before income taxes	3,772	4,809
Depreciation	1,811	1,432
Increase (decrease) in provision for bonuses	9	(6)
Increase (decrease) in provision for bonuses for directors (and other officers)	(62)	(57)
Increase (decrease) in provision for loss on orders received	176	2
Increase (decrease) in retirement benefit liability	(29)	(7)
Decrease (increase) in retirement benefit asset	(299)	(108)
Interest and dividend income	(50)	(57)
Interest expenses	23	1
Share of loss (profit) of entities accounted for using equity method	-	963
Loss (gain) on change in equity	-	(402)
Loss (gain) on sale and retirement of property, plant and equipment	14	(121)
Loss (gain) on sale and valuation of investment securities	-	293
Decrease (increase) in trade receivables	4,503	(779)
Decrease (increase) in inventories	(1,907)	(325)
Increase (decrease) in trade payables	28	2,245
Other, net	(497)	(337)
Subtotal	<u>7,492</u>	<u>7,543</u>
Interest and dividends received	82	81
Interest paid	(23)	(1)
Income taxes paid	<u>(2,013)</u>	<u>(1,326)</u>
Net cash provided by (used in) operating activities	<u>5,538</u>	<u>6,297</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,813)	(1,003)
Proceeds from sale of property, plant and equipment	5	212
Purchase of intangible assets	(95)	(64)
Purchase of investment securities	(1)	(268)
Proceeds from sale of investment securities	-	10
Other, net	(194)	20
Net cash provided by (used in) investing activities	<u>(2,098)</u>	<u>(1,093)</u>
Cash flows from financing activities		
Dividends paid	(1,228)	(1,224)
Repayments of lease liabilities	(27)	-
Other, net	23	31
Net cash provided by (used in) financing activities	<u>(1,231)</u>	<u>(1,192)</u>
Effect of exchange rate change on cash and cash equivalents	472	1,249
Net increase (decrease) in cash and cash equivalents	<u>2,679</u>	<u>5,260</u>
Cash and cash equivalents at beginning of period	<u>23,344</u>	<u>27,183</u>
Cash and cash equivalents at end of period	<u>26,024</u>	<u>32,443</u>