

Canon
Canon Electronics Inc.

Annual Report 2024(Unaudited)

Consolidated Financial Highlights

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

	FY2023 (from January 1, 2023 to December 31, 2023)	FY2024 (from January 1, 2024 to December 31, 2024)
Net sales		
Component	55,934	59,488
Electronic Information Appliance	28,419	29,510
Other	11,968	11,657
Total	96,321	100,656
Profit attributable to owners of parent	6,566	7,655

	FY2023 (from January 1, 2023 to December 31, 2023)	FY2024 (from January 1, 2024 to December 31, 2024)
Basic earnings per share	160.62yen	187.21yen
Diluted earnings per share	—	—

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

	As of December 31, 2023	As of December 31, 2024
Total assets	131,145	141,891
Net assets	113,845	121,741

Consolidated Balance Sheets

Millions of yen

(Amounts less than one million yen are truncated)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	27,483	30,213
Notes and accounts receivable - trade, and contract assets	23,862	26,021
Investments in leases	160	808
Merchandise and finished goods	1,870	1,833
Work in process	11,715	10,440
Raw materials and supplies	206	283
Short-term loans receivable	22,000	2,000
Other	967	1,055
Total current assets	<u>88,266</u>	<u>72,656</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	37,317	37,983
Accumulated depreciation	(25,685)	(26,984)
Buildings and structures, net	<u>11,632</u>	<u>10,999</u>
Machinery, equipment and vehicles	24,023	24,881
Accumulated depreciation	(21,947)	(22,911)
Machinery, equipment and vehicles, net	<u>2,075</u>	<u>1,970</u>
Tools, furniture and fixtures	19,119	19,338
Accumulated depreciation	(15,724)	(15,835)
Tools, furniture and fixtures, net	<u>3,395</u>	<u>3,502</u>
Land	<u>15,313</u>	<u>15,287</u>
Leased assets	24	38
Accumulated depreciation	(7)	(14)
Leased assets, net	<u>17</u>	<u>23</u>
Construction in progress	669	312
Total property, plant and equipment	<u>33,104</u>	<u>32,095</u>
Intangible assets	<u>1,433</u>	<u>1,038</u>
Investments and other assets		
Investment securities	2,481	2,468
Shares of subsidiaries and associates	937	286
Deferred tax assets	365	50
Retirement benefit asset	3,745	5,890
Long-term time deposits	-	26,500
Other	810	905
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	<u>8,340</u>	<u>36,101</u>
Total non-current assets	<u>42,878</u>	<u>69,235</u>
Total assets	<u>131,145</u>	<u>141,891</u>

Consolidated Balance Sheets

Millions of yen

(Amounts less than one million yen are truncated)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	9,660	11,825
Electronically recorded obligations - operating	741	529
Lease liabilities	65	286
Accrued expenses	1,369	1,356
Income taxes payable	1,129	643
Provision for bonuses	419	426
Provision for bonuses for directors (and other officers)	80	82
Allowance officer retirement special service money	-	400
Provision for loss on orders received	18	35
Other	2,045	1,964
Total current liabilities	15,531	17,549
Non-current liabilities		
Lease liabilities	107	543
Deferred tax liabilities	50	460
Provision for retirement benefits for directors (and other officers)	181	181
Retirement benefit liability	1,428	1,415
Other	0	0
Total non-current liabilities	1,768	2,601
Total liabilities	17,299	20,150
Net assets		
Shareholders' equity		
Share capital	4,969	4,969
Capital surplus	10,609	10,617
Retained earnings	97,283	102,281
Treasury shares	(2,459)	(2,435)
Total shareholders' equity	110,403	115,432
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	643	614
Foreign currency translation adjustment	2,662	4,106
Remeasurements of defined benefit plans	(15)	1,416
Total accumulated other comprehensive income	3,289	6,138
Non-controlling interests	153	170
Total net assets	113,845	121,741
Total liabilities and net assets	131,145	141,891

Consolidated Statements of Income

	Millions of yen (Amounts less than one million yen are truncated)	
	FY2023 (from January 1, 2023 to December 31, 2023)	FY2024 (from January 1, 2024 to December 31, 2024)
Net sales	96,321	100,656
Cost of sales	75,844	80,313
Gross profit	20,476	20,343
Selling, general and administrative expenses	11,333	9,945
Operating profit	9,142	10,397
Non-operating income		
Interest and dividend income	134	144
Subsidy income	652	19
Foreign exchange gains	379	608
Other	71	47
Total non-operating income	1,237	820
Non-operating expenses		
Interest expenses	24	2
Share of loss of entities accounted for using equity method	1,357	1,326
Other	35	11
Total non-operating expenses	1,417	1,340
Ordinary profit	8,963	9,877
Extraordinary income		
Gain on change in equity	-	675
Gain on sale of non-current assets	77	159
Gain on sale of investment securities	-	26
Gain on sale of golf club membership	2	22
Total extraordinary income	79	883
Extraordinary losses		
Loss on sale and retirement of non-current assets	18	335
Loss on valuation of investment securities	-	294
Total extraordinary losses	18	630
Profit before income taxes	9,024	10,130
Income taxes - current	2,994	2,339
Income taxes - deferred	49	118
Total income taxes	3,043	2,457
Profit	5,980	7,673
Profit (loss) attributable to non-controlling interests	(585)	17
Profit attributable to owners of parent	6,566	7,655

Consolidated Statements of Comprehensive Income

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

	FY2023 (from January 1, 2023 to December 31, 2023)	FY2024 (from January 1, 2024 to December 31, 2024)
Profit	5,980	7,673
Other comprehensive income		
Valuation difference on available-for-sale securities	286	(28)
Foreign currency translation adjustment	723	1,444
Remeasurements of defined benefit plans, net of tax	908	1,432
Total other comprehensive income	1,918	2,848
Comprehensive income	7,899	10,522
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,484	10,504
Comprehensive income attributable to non-controlling interests	(585)	17

Consolidated Statements of Shareholders' Equity

FY2023 (from January 1, 2023 to December 31, 2023)

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

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,969	10,609	93,167	(2,482)	106,263
Changes during period					
Dividends of surplus			(2,452)		(2,452)
Profit attributable to owners of parent			6,566		6,566
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		24	23
Transfer from retained earnings to capital surplus		0	(0)		—
Change in scope of consolidation			3		3
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	4,115	23	4,139
Balance at end of period	4,969	10,609	97,283	(2,459)	110,403

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	356	1,938	(924)	1,370	3,662	111,296
Changes during period						
Dividends of surplus				—		(2,452)
Profit attributable to owners of parent				—		6,566
Purchase of treasury shares				—		(0)
Disposal of treasury shares				—		23
Transfer from retained earnings to capital surplus				—		—
Change in scope of consolidation				—		3
Net changes in items other than shareholders' equity	286	723	908	1,918	(3,509)	(1,590)
Total changes during period	286	723	908	1,918	(3,509)	2,548
Balance at end of period	643	2,662	(15)	3,289	153	113,845

Consolidated Statements of Shareholders' Equity

FY2024 (from January 1, 2024 to December 31, 2024)

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

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,969	10,609	97,283	(2,459)	110,403
Changes during period					
Dividends of surplus			(2,657)		(2,657)
Profit attributable to owners of parent			7,655		7,655
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		8		24	32
Net changes in items other than shareholders' equity					—
Total changes during period	—	8	4,997	23	5,029
Balance at end of period	4,969	10,617	102,281	(2,435)	115,432

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	643	2,662	(15)	3,289	153	113,845
Changes during period						
Dividends of surplus				—		(2,657)
Profit attributable to owners of parent				—		7,655
Purchase of treasury shares				—		(0)
Disposal of treasury shares				—		32
Net changes in items other than shareholders' equity	(28)	1,444	1,432	2,848	17	2,866
Total changes during period	(28)	1,444	1,432	2,848	17	7,896
Balance at end of period	614	4,106	1,416	6,138	170	121,741

Consolidated Statements of Cash Flows

	Millions of yen (Amounts less than one million yen are truncated)	
	FY2023 (from January 1, 2023 to December 31, 2023)	FY2024 (from January 1, 2024 to December 31, 2024)
Cash flows from operating activities		
Profit before income taxes	9,024	10,130
Depreciation	3,273	3,024
Increase (decrease) in provision for bonuses	3	(6)
Increase (decrease) in provision for bonuses for directors (and other officers)	(4)	1
Allowance officer retirement special service money increase and decrease	-	400
Increase (decrease) in provision for loss on orders received	176	16
Increase (decrease) in retirement benefit liability	301	582
Decrease (increase) in retirement benefit asset	(1,607)	(2,145)
Interest and dividend income	(134)	(144)
Interest expenses	24	2
Share of loss (profit) of entities accounted for using equity method	1,357	1,326
Loss (gain) on change in equity	-	(675)
Loss (gain) on sale and retirement of non-current assets	(58)	176
Loss (gain) on sale and valuation of investment securities	-	268
Decrease (increase) in trade receivables	3,761	(1,870)
Decrease (increase) in inventories	(891)	1,373
Increase (decrease) in trade payables	(2,494)	1,767
Other, net	1,089	1,203
Subtotal	<u>13,821</u>	<u>15,431</u>
Interest and dividends received	163	152
Interest paid	(24)	(2)
Income taxes paid	<u>(3,760)</u>	<u>(2,886)</u>
Net cash provided by (used in) operating activities	<u>10,200</u>	<u>12,694</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,172)	(1,787)
Proceeds from sale of property, plant and equipment	338	330
Purchase of intangible assets	(167)	(103)
Purchase of investment securities	(11)	(442)
Proceeds from sale of investment securities	-	122
Loan advances	(5,000)	-
Proceeds from collection of loans receivable	5,000	20,000
Payments into time deposits	-	(1,000)
Payments into long-term time deposits	-	(26,500)
Other, net	(295)	(76)
Net cash provided by (used in) investing activities	<u>(3,307)</u>	<u>(9,456)</u>
Cash flows from financing activities		
Dividends paid	(2,456)	(2,656)
Repayments of lease liabilities	(27)	-
Other, net	23	31
Net cash provided by (used in) financing activities	<u>(2,460)</u>	<u>(2,624)</u>
Effect of exchange rate change on cash and cash equivalents	229	1,116
Net increase (decrease) in cash and cash equivalents	<u>4,661</u>	<u>1,730</u>
Cash and cash equivalents at beginning of period	<u>23,344</u>	<u>27,183</u>
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(822)	-
Cash and cash equivalents at end of period	<u>27,183</u>	<u>28,913</u>