

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

January 28, 2026

## Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (Under Japanese GAAP)



Company name: Canon Electronics Inc.

Listing: Tokyo Stock Exchange

Securities code: 7739

URL: <https://www.canon-elec.co.jp/>

Representative: Takeshi Hashimoto, President & CEO

Inquiries: Hiroyuki Ohkita, Director, General Manager of Finance & Accounting Div.

Telephone: +81-3(6910)4111

Scheduled date of annual general meeting of shareholders: Undecided

Scheduled date to commence dividend payments: -

Scheduled date to file annual securities report: March 25, 2026

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	104,421	3.7	8,980	(13.6)	8,463	(14.3)	6,503	(15.1)
December 31, 2024	100,656	4.5	10,397	13.7	9,877	10.2	7,655	16.6

Note: Comprehensive income

For the fiscal year ended December 31, 2025: ¥ 8,063 million [(23.4)%]

For the fiscal year ended December 31, 2024: ¥ 10,522 million [ 33.2%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended December 31, 2025	Yen 159.01	Yen -	% 5.2	% 5.9	% 8.6
December 31, 2024	187.21	-	6.5	7.2	10.3

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended December 31, 2025: ¥ (1,239) million

For the fiscal year ended December 31, 2024: ¥ (1,326) million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	147,079	126,953	86.2	3,099.23
December 31, 2024	141,891	121,741	85.7	2,972.59

Reference: Equity

As of December 31, 2025: ¥ 126,765 million

As of December 31, 2024: ¥ 121,570 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2025	7,400	(2,728)	(2,850)	30,668
December 31, 2024	12,694	(9,456)	(2,624)	28,913

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended December 31, 2024	Yen -	Yen 35.00	Yen -	Yen 35.00	Yen 70.00	Millions of yen 2,862	% 37.4	% 2.4
Fiscal year ended December 31, 2025	-	35.00	-	0.00	35.00	1,431	22.0	1.1
Fiscal year ending December 31, 2026 (Forecast)	-	-	-	-	-		-	

Note:As described in the "Notice Concerning Results of the Tender Offer for Company Shares by Canon Inc., the Company's Controlling Shareholder" announced on January 20, 2026, our company is scheduled to become a wholly-owned subsidiary of Canon Inc after the applicable procedures and our company shares will be delisted. Accordingly, dividend forecasts for the fiscal year ending December 31, 2026 are not described.

## 3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

As described in the "Notice Concerning Results of the Tender Offer for Company Shares by Canon Inc., the Company's Controlling Shareholder" announced on January 20, 2026, our company is scheduled to become a wholly-owned subsidiary of Canon Inc after the applicable procedures and our company shares will be delisted. Accordingly, consolidated financial result forecasts for the fiscal year ending December 31, 2026 are not described.

### \* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	42,206,540 shares
As of December 31, 2024	42,206,540 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	1,304,345 shares
As of December 31, 2024	1,309,332 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended December 31, 2025	40,901,047 shares
Fiscal Year ended December 31, 2024	40,893,344 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	81,267	4.4	5,622	(18.1)	6,075	(16.5)	4,686	(11.1)
December 31, 2024	77,820	1.0	6,864	(11.9)	7,273	(13.7)	5,273	(15.6)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
December 31, 2025	114.57	-
December 31, 2024	128.95	-

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of			%	Yen
December 31, 2025	Millions of yen 136,784	Millions of yen 114,892	84.0	2,808.95
December 31, 2024	Millions of yen 135,249	Millions of yen 112,906	83.5	2,760.74

Reference: Equity

As of December 31, 2025: ¥ 114,892 million

As of December 31, 2024: ¥ 112,906 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

As described in the "Notice Concerning Results of the Tender Offer for Company Shares by Canon Inc., the Company's Controlling Shareholder" announced on January 20, 2026, our company is scheduled to become a wholly-owned subsidiary of Canon Inc after the applicable procedures and our company shares will be delisted. Accordingly, consolidated financial result forecasts for the fiscal year ending December 31, 2026 are not described.

# Consolidated Financial Statements and Primary Notes

## Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	30,213	58,468
Notes and accounts receivable - trade, and contract assets	26,021	26,862
Investments in leases	808	628
Merchandise and finished goods	1,833	1,700
Work in process	10,440	10,862
Raw materials and supplies	283	508
Short-term loans receivable	2,000	1,937
Other	1,055	1,498
<b>Total current assets</b>	<b>72,656</b>	<b>102,466</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	37,983	38,105
Accumulated depreciation and impairment	(26,984)	(27,681)
Buildings and structures, net	10,999	10,423
Machinery, equipment and vehicles	24,881	24,696
Accumulated depreciation and impairment	(22,911)	(22,953)
Machinery, equipment and vehicles, net	1,970	1,743
Tools, furniture and fixtures	19,338	19,576
Accumulated depreciation	(15,835)	(15,932)
Tools, furniture and fixtures, net	3,502	3,643
Land	15,287	15,228
Leased assets	38	38
Accumulated depreciation	(14)	(22)
Leased assets, net	23	15
Construction in progress	312	521
<b>Total property, plant and equipment</b>	<b>32,095</b>	<b>31,576</b>
<b>Intangible assets</b>	<b>1,038</b>	<b>970</b>
<b>Investments and other assets</b>		
Investment securities	2,468	2,888
Shares of subsidiaries and associates	286	-
Deferred tax assets	50	44
Retirement benefit asset	5,890	8,285
Long-term time deposits	26,500	-
Other	905	846
Allowance for doubtful accounts	(0)	(0)
<b>Total investments and other assets</b>	<b>36,101</b>	<b>12,066</b>
<b>Total non-current assets</b>	<b>69,235</b>	<b>44,612</b>
<b>Total assets</b>	<b>141,891</b>	<b>147,079</b>

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	11,825	11,728
Electronically recorded obligations - operating	529	413
Lease liabilities	286	300
Accrued expenses	1,356	1,339
Income taxes payable	643	742
Provision for bonuses	426	479
Provision for bonuses for directors (and other officers)	82	35
Allowance officer retirement special service money	400	-
Provision for loss on orders received	35	13
Other	1,964	1,812
<b>Total current liabilities</b>	<b>17,549</b>	<b>16,865</b>
<b>Non-current liabilities</b>		
Lease liabilities	543	339
Deferred tax liabilities	460	1,603
Provision for retirement benefits for directors (and other officers)	181	24
Retirement benefit liability	1,415	1,291
Other	0	0
<b>Total non-current liabilities</b>	<b>2,601</b>	<b>3,259</b>
<b>Total liabilities</b>	<b>20,150</b>	<b>20,125</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	4,969	4,969
Capital surplus	10,617	10,621
Retained earnings	102,281	105,922
Treasury shares	(2,435)	(2,427)
<b>Total shareholders' equity</b>	<b>115,432</b>	<b>119,085</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	614	790
Foreign currency translation adjustment	4,106	3,938
Remeasurements of defined benefit plans	1,416	2,951
<b>Total accumulated other comprehensive income</b>	<b>6,138</b>	<b>7,680</b>
<b>Non-controlling interests</b>	<b>170</b>	<b>188</b>
<b>Total net assets</b>	<b>121,741</b>	<b>126,953</b>
<b>Total liabilities and net assets</b>	<b>141,891</b>	<b>147,079</b>

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Net sales	100,656	104,421
Cost of sales	80,313	85,455
Gross profit	20,343	18,965
Selling, general and administrative expenses	9,945	9,985
Operating profit	10,397	8,980
Non-operating income		
Interest and dividend income	144	245
Rental income	-	61
Subsidy income	19	13
Foreign exchange gains	608	337
Other	47	71
Total non-operating income	820	729
Non-operating expenses		
Interest expenses	2	0
Share of loss of entities accounted for using equity method	1,326	1,239
Other	11	6
Total non-operating expenses	1,340	1,245
Ordinary profit	9,877	8,463
Extraordinary income		
Gain on change in equity	675	390
Gain on sale of non-current assets	159	55
Gain on sale of investment securities	26	-
Gain on sale of golf club membership	22	-
Total extraordinary income	883	445
Extraordinary losses		
Impairment losses	-	6
Loss on sale and retirement of non-current assets	335	34
Loss on valuation of investment securities	294	-
Total extraordinary losses	630	41
Profit before income taxes	10,130	8,867
Income taxes - current	2,339	2,006
Income taxes - deferred	118	340
Total income taxes	2,457	2,346
Profit	7,673	6,521
Profit attributable to non-controlling interests	17	17
Profit attributable to owners of parent	7,655	6,503

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
Profit	7,673	6,521
Other comprehensive income		
Valuation difference on available-for-sale securities	(28)	175
Foreign currency translation adjustment	1,444	(168)
Remeasurements of defined benefit plans, net of tax	1,432	1,534
Total other comprehensive income	2,848	1,542
Comprehensive income	10,522	8,063
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,504	8,045
Comprehensive income attributable to non-controlling interests	17	17

Consolidated Statement of Changes in Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	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

For the fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,969	10,617	102,281	(2,435)	115,432
Changes during period					
Dividends of surplus			(2,863)		(2,863)
Profit attributable to owners of parent			6,503		6,503
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		3		10	14
Net changes in items other than shareholders' equity					-
Total changes during period	-	3	3,640	8	3,652
Balance at end of period	4,969	10,621	105,922	(2,427)	119,085

	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	614	4,106	1,416	6,138	170	121,741
Changes during period						
Dividends of surplus				-		(2,863)
Profit attributable to owners of parent				-		6,503
Purchase of treasury shares				-		(2)
Disposal of treasury shares				-		14
Net changes in items other than shareholders' equity	175	(168)	1,534	1,542	17	1,559
Total changes during period	175	(168)	1,534	1,542	17	5,212
Balance at end of period	790	3,938	2,951	7,680	188	126,953

Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2024	For the fiscal year ended December 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	10,130	8,867
Depreciation	3,024	2,757
Impairment losses	-	6
Increase (decrease) in provision for bonuses	(6)	54
Increase (decrease) in provision for bonuses for directors (and other officers)	1	(47)
Allowance officer retirement special service money increase and decrease	400	(400)
Increase (decrease) in provision for loss on orders received	16	(21)
Increase (decrease) in retirement benefit liability	582	643
Decrease (increase) in retirement benefit asset	(2,145)	(2,395)
Interest and dividend income	(144)	(245)
Interest expenses	2	0
Share of loss (profit) of entities accounted for using equity method	1,326	1,239
Loss (gain) on change in equity	(675)	(390)
Loss (gain) on sale and retirement of non-current assets	176	(21)
Loss (gain) on sale and valuation of investment securities	268	-
Decrease (increase) in trade receivables	(1,870)	(878)
Decrease (increase) in inventories	1,373	(528)
Increase (decrease) in trade payables	1,767	(186)
Other, net	1,203	625
<b>Subtotal</b>	<b>15,431</b>	<b>9,080</b>
Interest and dividends received	152	228
Interest paid	(2)	(0)
Income taxes paid	(2,886)	(1,908)
<b>Net cash provided by (used in) operating activities</b>	<b>12,694</b>	<b>7,400</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,787)	(1,973)
Proceeds from sale of property, plant and equipment	330	203
Purchase of intangible assets	(103)	(160)
Purchase of investment securities	(442)	(153)
Proceeds from sale of investment securities	122	-
Proceeds from collection of loans receivable	20,000	-
Payments into time deposits	(1,000)	-
Payments into long-term time deposits	(26,500)	-
Purchase of shares of subsidiaries and associates	-	(500)
Other, net	(76)	(144)
<b>Net cash provided by (used in) investing activities</b>	<b>(9,456)</b>	<b>(2,728)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(2,656)	(2,862)
Other, net	31	12
<b>Net cash provided by (used in) financing activities</b>	<b>(2,624)</b>	<b>(2,850)</b>
Effect of exchange rate change on cash and cash equivalents	1,116	(65)
Net increase (decrease) in cash and cash equivalents	1,730	1,755
Cash and cash equivalents at beginning of period	27,183	28,913
<b>Cash and cash equivalents at end of period</b>	<b>28,913</b>	<b>30,668</b>