
Canon Inc.

FY 2025 Results

January 29, 2026

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4Q 2025/ FY 2025 Results

- In our markets, trend of delayed investment in 2nd half, due to additional U.S. tariffs combined with geopolitical risks, continued in Q4
- In Q4, despite decline in laser printer sales, overall sales at record high, driven by double-digit growth in cameras and network cameras as well as growth in Medical and inkjet
- For full year, achieved 2.5% sales growth and second consecutive year of record high sales
- Posted high operating profit ratio, offsetting production structural reform costs and tariff impact with increased sales and effects from last year's sales structural reforms
- Dividend of 160 yen per share according to plan

P&L

(4Q/FY 2025 Results)

(Billions of yen)	4Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change
Net Sales	1,321.8	1,273.7	+3.8%	4,624.7	4,509.8	+2.5%	4,616.0	+8.7
Gross Profit (% of Net Sales)	614.3 46.5%	596.7 46.8%	+2.9%	2,162.0 46.7%	2,143.1 47.5%	+0.9%	2,154.0 46.7%	+8.0
Op. Expenses (% of Net Sales)	461.2 34.9%	448.5 35.2%		1,706.6 36.9%	1,698.2 37.6%		1,703.0 36.9%	-3.6
Op. Profit (% of Net Sales)	153.1 11.6%	148.2 11.6%	+3.3%	455.4 9.8%	444.9 9.9%	+2.4%	451.0 9.8%	+4.4
IBT	168.0	155.5	+8.0%	482.1	466.3	+3.4%	466.0	+16.1
Net Income (% of Net Sales)	112.5 8.5%	106.6 8.4%	+5.6%	332.1 7.2%	325.1 7.2%	+2.1%	325.5 7.1%	+6.6
USD	154.27	152.42		149.71	151.63		148.58	
EUR	179.44	162.55		169.41	163.99		168.24	

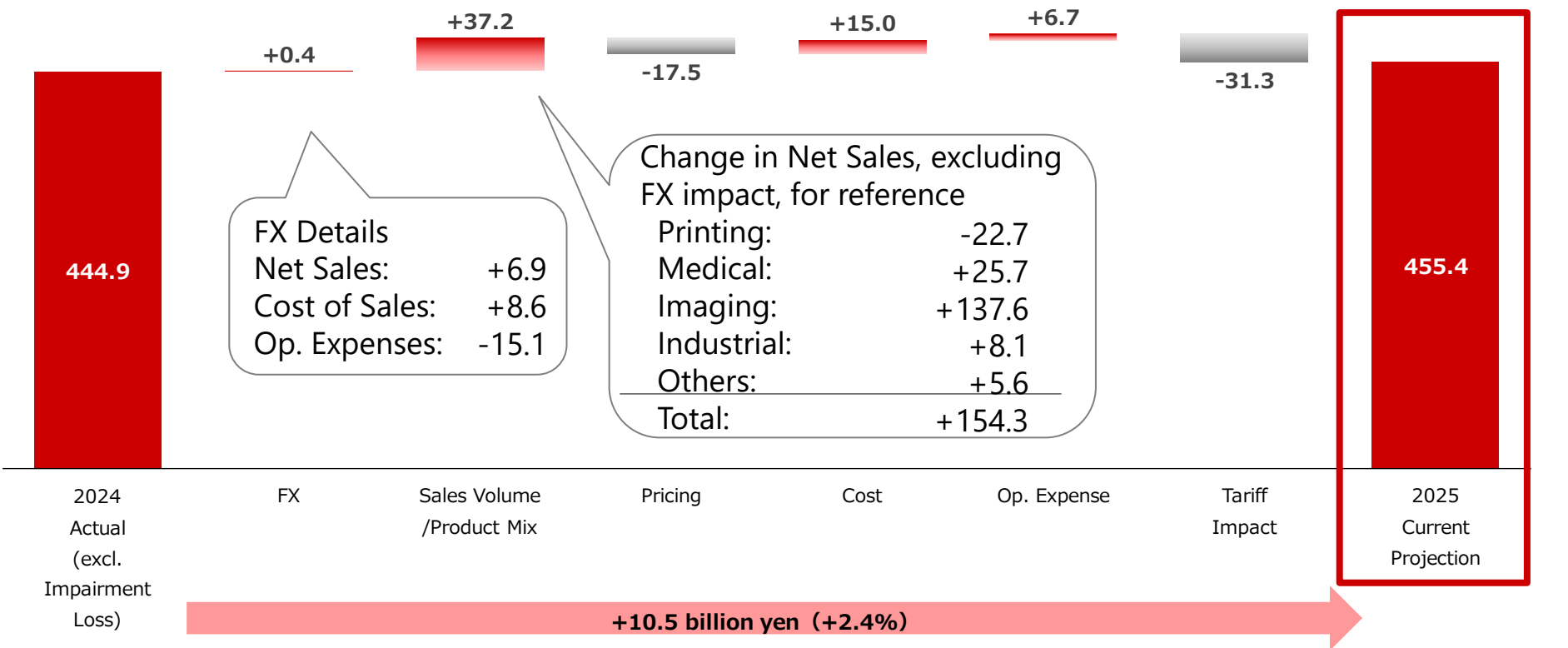
* 2024 figures exclude the impact of impairment loss.

FY 2025 Operating Profit Analysis

(FY 2025 Actual versus FY 2024 Actual)

Canon

(Billions of yen)



2025 Financial Results by Business Unit

(4Q/FY 2025 Results)



(Billions of yen)		4Q			Full Year				
		2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change
Printing	Net Sales	668.8	677.1	-1.2%	2,494.4	2,522.7	-1.1%	2,495.1	-0.7
	Op. Profit	53.6	84.5	-36.6%	255.8	289.9	-11.8%	276.2	-20.4
	(%)	(8.0%)	(12.5%)		(10.3%)	(11.5%)		(11.1%)	
Medical	Net Sales	168.4	161.3	+4.4%	580.6	568.8	+2.1%	580.9	-0.3
	Op. Profit	14.6	8.9	+63.8%	32.8	24.7	+32.9%	31.3	+1.5
	(%)	(8.7%)	(5.5%)		(5.6%)	(4.3%)		(5.4%)	
Imaging	Net Sales	328.5	277.6	+18.4%	1,054.9	937.4	+12.5%	1,049.7	+5.2
	Op. Profit	64.5	52.4	+23.1%	172.9	151.3	+14.3%	163.4	+9.5
	(%)	(19.6%)	(18.9%)		(16.4%)	(16.1%)		(15.6%)	
Industrial	Net Sales	115.8	121.0	-4.3%	361.1	351.7	+2.7%	365.9	-4.8
	Op. Profit	22.5	24.9	-9.8%	62.5	68.9	-9.3%	63.6	-1.1
	(%)	(19.4%)	(20.6%)		(17.3%)	(19.6%)		(17.4%)	
Others & Corporate	Net Sales	65.0	64.8	+0.3%	237.1	233.7	+1.4%	224.4	+12.7
	Op. Profit	-2.3	-23.0	-	-69.5	-91.2	-	-84.1	+14.6
Eliminations	Net Sales	-24.7	-28.1	-	-103.4	-104.5	-	-100.0	-3.4
	Op. Profit	0.2	0.5	-	0.9	1.3	-	0.6	+0.3
Total	Net Sales	1,321.8	1,273.7	+3.8%	4,624.7	4,509.8	+2.5%	4,616.0	+8.7
	Op. Profit	153.1	148.2	+3.3%	455.4	444.9	+2.4%	451.0	+4.4
	(%)	(11.6%)	(11.6%)		(9.8%)	(9.9%)		(9.8%)	

* From 2025, some reclassification between the Industrial Business Unit and Eliminations was made to manage the performance of reportable segments more appropriately. The figures for 2024 were also reclassified.

- In 2026, expect political and economic uncertainty to continue due to additional U.S. tariffs and geopolitical risks
- Aim to not only expand sales in growth areas of Medical, network cameras and commercial printing, but also raise market share in office MFDs, inkjet, and cameras
- Achieve operating profit ratio of over 10% by expanding sales and from benefits of structural reforms
- Shareholder returns - Set dividend at 160 yen per share, same as last year, and establish framework for 200 billion yen share buybacks

2026 Financial Projection

(Full Year)

(Billions of yen)	FY 2026 Projection	FY 2025 Actual	% Change
Net Sales	4,765.0	4,624.7	+3.0%
Gross Profit (% of Net Sales)	2,239.0 47.0%	2,162.0 46.7%	+3.6%
Op. Expenses (% of Net Sales)	1,760.0 36.9%	1,706.6 36.9%	
Op. Profit (% of Net Sales)	479.0 10.1%	455.4 9.8%	+5.2%
IBT	495.0	482.1	+2.7%
Net Income (% of Net Sales)	341.0 7.2%	332.1 7.2%	+2.7%
USD	150.00	149.71	
EUR	175.00	169.41	

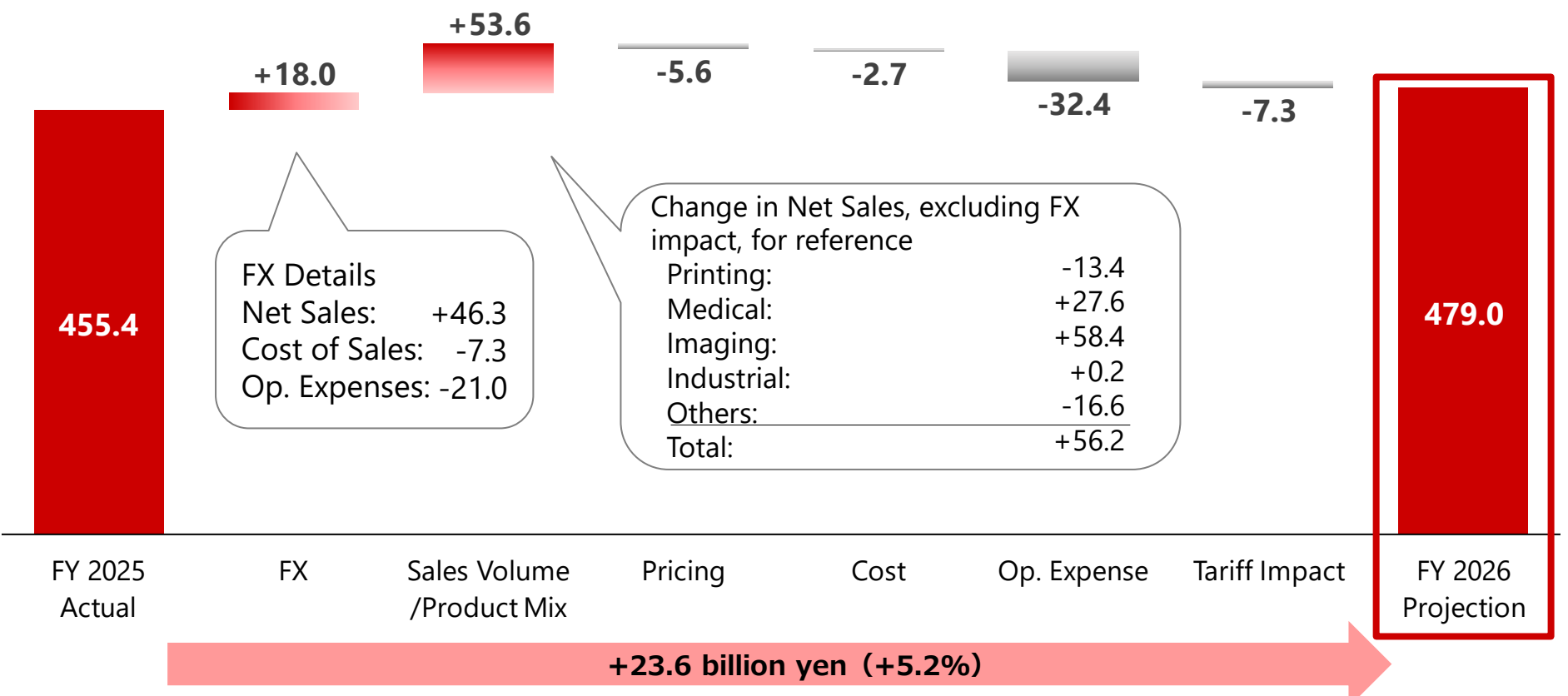
Impact of exchange rate movement
(Annual impact given a one yen change)

	Net Sales	Op. Profit
USD	12.9 billion yen	3.2 billion yen
EUR	6.7 billion yen	3.4 billion yen

2026 Operating Profit Analysis

(FY 2026 Projection versus FY 2025 Actual)

(Billions of yen)



Review of Business Structure

(Billions of yen)

		2024	2025					2026
		Actual	1Q	2Q	3Q	4Q	Full year Actual	Full year Projection
Sales Structural Reform	Cost	-20.0	-1.2	-0.5	-0.8	-5.4	-7.9	-17.2
	Effect	8.0	5.0	4.9	5.3	6.8	22.0	11.5
	PL Impact	-12.0	3.8	4.4	4.5	1.4	14.1	-5.7
Production Structural Reform	Cost	0.0	-0.9	-0.1	-4.8	-8.9	-14.7	-14.2
	Effect	0.0	0.0	0.0	0.0	0.0	0.0	13.0
	PL Impact	0.0	-0.9	-0.1	-4.8	-8.9	-14.7	-1.2
Medical Business Innovation	Cost	-2.5	-0.7	-0.7	-0.7	-1.5	-3.6	-1.2
	Effect	0	1.5	2.2	2.0	5.8	11.5	10.0
	PL Impact	-2.5	0.8	1.5	1.3	4.3	7.9	8.8
Total	Cost	-22.5	-2.8	-1.3	-6.3	-15.8	-26.2	-32.6
	Effect	8.0	6.5	7.1	7.3	12.6	33.5	34.5
	PL Impact	-14.5	3.7	5.8	1.0	-3.2	7.3	1.9

2026 Financial Projection by Business Unit

(Full Year)

(Billions of yen)		FY 2026 Projection	FY 2025 Actual	% Change
Printing	Net Sales	2,532.9	2,494.4	+1.5%
	Op. Profit	257.4	255.8	+0.6%
	(%)	(10.2%)	(10.3%)	
Medical	Net Sales	616.1	580.6	+6.1%
	Op. Profit	38.3	32.8	+16.9%
	(%)	(6.2%)	(5.6%)	
Imaging	Net Sales	1,137.2	1,054.9	+7.8%
	Op. Profit	184.1	172.9	+6.5%
	(%)	(16.2%)	(16.4%)	
Industrial	Net Sales	361.5	361.1	+0.1%
	Op. Profit	63.8	62.5	+2.0%
	(%)	(17.6%)	(17.3%)	
Others & Corporate	Net Sales	212.1	237.1	-10.5%
	Op. Profit	-64.7	-69.5	-
Eliminations	Net Sales	-94.8	-103.4	-
	Op. Profit	0.1	0.9	-
Total	Net Sales	4,765.0	4,624.7	+3.0%
	Op. Profit	479.0	455.4	+5.2%
	(%)	(10.1%)	(9.8%)	

Inventory

- Reduce inventory turnover by 2 days compare to end of last year through inventory reduction activities
- Aiming for optimal level of inventory of less than 60 days by end of 2026

(Billions of yen)

		2024				2025			
		Mar.-end	Jun.-end	Sep.-end	Dec.-end	Mar.-end	Jun.-end	Sep.-end	Dec.-end
Printing	Amt.	347.6	361.5	344.1	342.7	334.4	346.1	368.1	342.1
	Days	52	53	50	49	47	52	55	49
Medical	Amt.	141.1	146.0	142.1	133.2	139.8	138.5	148.5	142.4
	Days	86	97	95	83	85	90	99	86
Imaging	Amt.	191.5	182.4	168.5	158.6	176.3	166.4	172.1	170.3
	Days	86	79	63	56	66	64	61	53
Industrial	Amt.	146.4	150.2	158.7	138.0	150.7	160.3	154.7	130.0
	Days	160	168	175	130	146	183	159	118
Others & Corporate	Amt.	68.3	72.4	76.3	69.3	71.6	68.2	70.4	55.6
Total	Amt.	894.9	912.5	889.7	841.8	872.8	879.5	913.8	840.4
	Days	76	77	72	65	68	73	74	63

Cash Flow

(Full Year)

- Generate 600 billion yen in operating cash flow
- Invest in future growth and maintain active shareholder returns

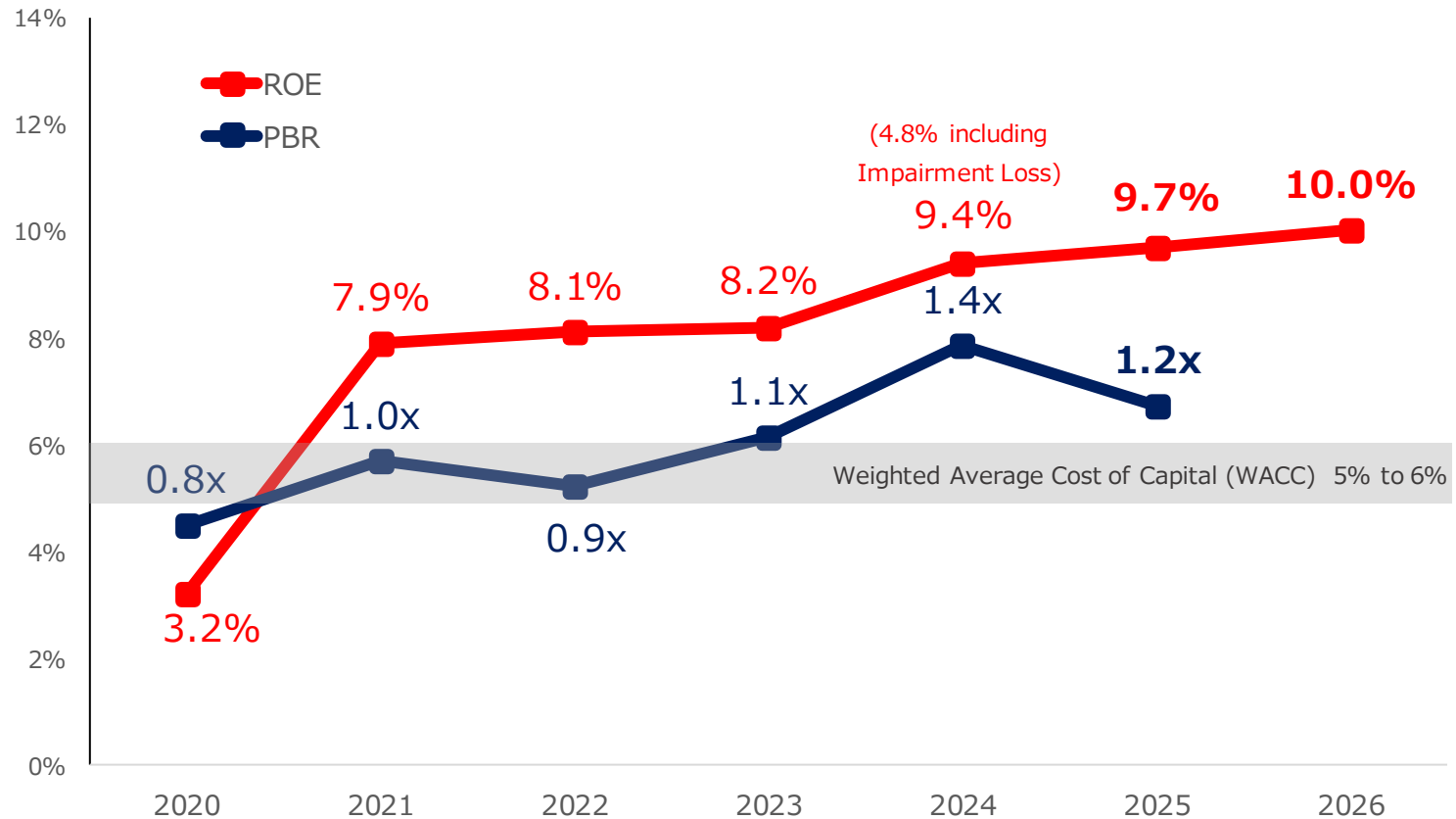
(Billions of yen)	FY2026 Projection	FY 2025 Actual	FY 2024 Actual
Net income	341.0	332.1	325.1
Depreciation and amortization	230.0	239.2	235.5
Others	29.0	-95.4	46.2
Net cash provided by operating activities	600.0	475.9	606.8
Capital expenditure	-270.0	-262.2	-237.0
Others	-90.0	24.8	-60.3
Net cash used in investing activities	-360.0	-237.4	-297.3
Free cash flow	240.0	238.5	309.5
Net cash provided by (used in) financing activities	-309.0	-179.2	-226.0
Effect of exchange rate changes on cash and cash equivalents	-13.0	25.1	16.7
Net change in cash and cash equivalents	-82.0	84.4	100.2
Cash and cash equivalents at end of period	504.0	586.0	501.6
Cash-on-hand (In months of Net sales)	1.3	1.4	1.3

* Cash-on-hand (in months of Net sales) for 2024 and 2025 is calculated using second-half net sales. The figure for 2026 is based on full-year net sales.

* 2024 net income excludes the impact of impairment loss.

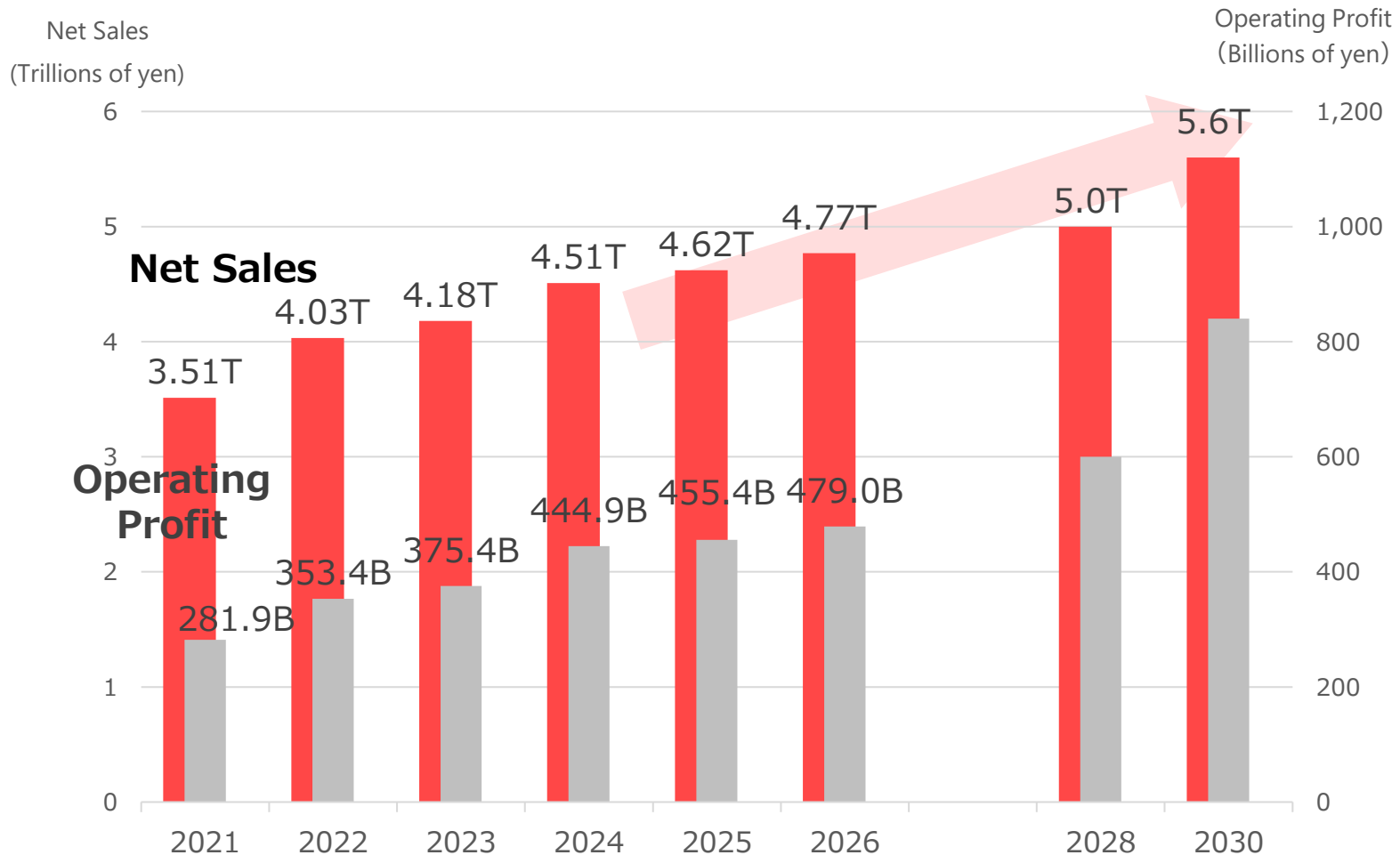
Return on Capital

- Achieved ROE of 9.7% in 2025 and expect to raise to 10% in 2026
- Promote measures to improve return on capital to achieve Phase VII targets



Summary

- In 2026, first year of 5-year plan, complete structural reforms and further enhance quality of management to achieve further growth



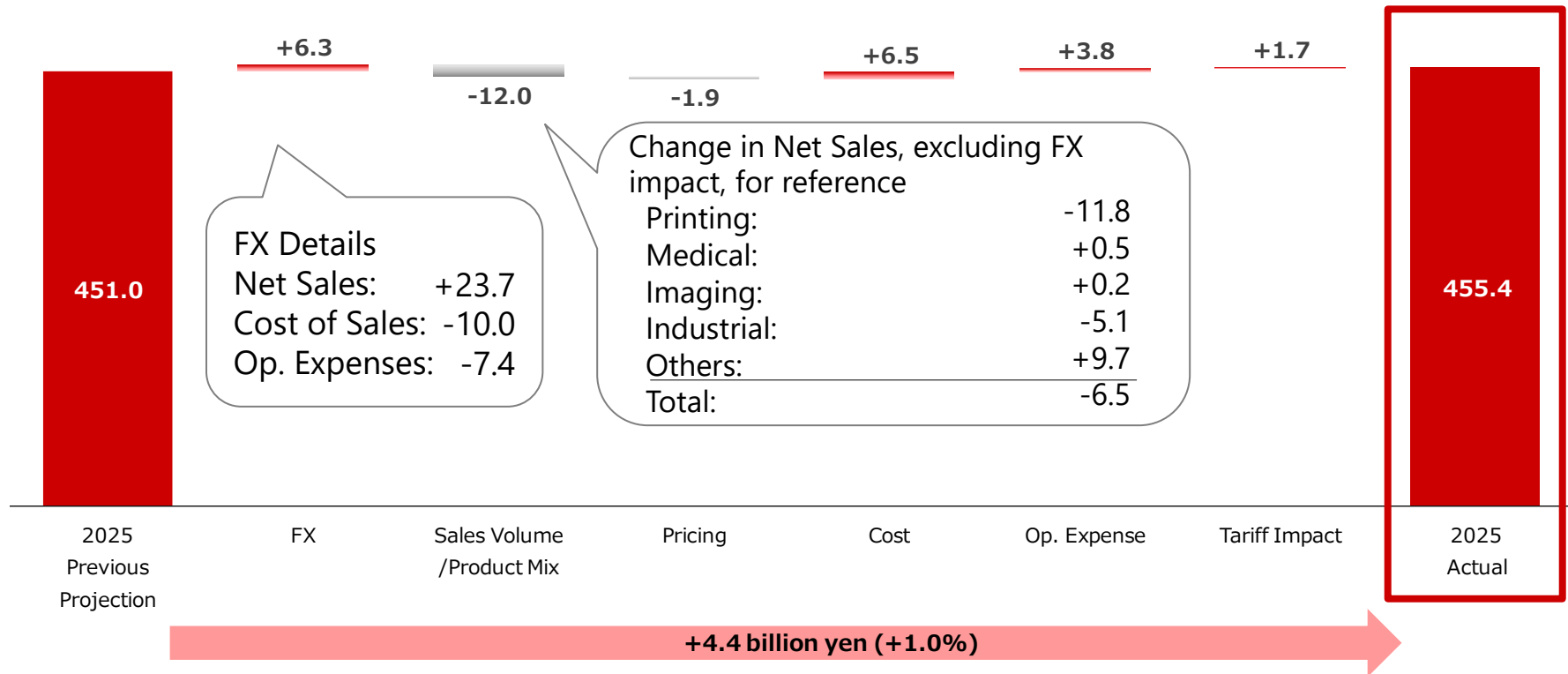
* 2024 excludes the impact of impairment loss.

Supplementary Information

2025 Operating Profit Analysis

(FY 2025 Previous Projection versus FY 2025 Actual)

(Billions of yen)



Printing

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

		4Q			Full Year					Full Year	
		2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change	2026 Projection	% Change
Production		126.6	125.7	+0.7%	437.3	441.5	-0.9%	446.6	-9.3	480.3	+9.8%
Office	Office MFDs	172.0	167.5	+2.7%	631.6	647.0	-2.4%	636.5	-4.9	639.9	+1.3%
	Others	112.0	108.2	+3.6%	432.1	408.2	+5.9%	429.3	+2.8	445.0	+3.0%
		284.0	275.7	+3.1%	1,063.7	1,055.2	+0.8%	1,065.8	-2.1	1,084.9	+2.0%
Prosumer	LPs	160.3	182.5	-12.2%	648.1	679.6	-4.6%	640.3	+7.8	613.1	-5.4%
	IJPs	97.9	93.2	+5.0%	345.3	346.5	-0.4%	342.4	+2.9	354.6	+2.7%
		258.2	275.7	-6.4%	993.4	1,026.1	-3.2%	982.7	+10.7	967.7	-2.6%
Net Sales		668.8	677.1	-1.2%	2,494.4	2,522.7	-1.1%	2,495.1	-0.7	2,532.9	+1.5%
Op. Profit		53.6	84.5	-36.6%	255.8	289.9	-11.8%	276.2	-20.4	257.4	+0.6%
%		8.0%	12.5%		10.3%	11.5%		11.1%		10.2%	

Net Sales Growth Rate Y/Y

(Local Currency)

	2025		2026
	4Q	FY	Projection
Production	-4.2%	-1.9%	+8.2%
Office	-0.1%	+0.6%	+0.9%
Prosumer	-9.2%	-3.1%	-3.3%
Total	-4.6%	-1.4%	+0.5%

Unit Growth Rate Y/Y

	2025		2026
	4Q	FY	Projection
Office MFDs	+3%	-2%	0%
LPs	-23%	-13%	-3%
IJPs	+5%	+3%	-3%

Printing Hardware & Non-hardware Sales

			FY 2026	FY 2025		FY 2024	
			Full Year Projection	4Q Actual	Full Year Actual	4Q Actual	Full Year Actual
Production	JPY	Hardware	+19%	-7%	-4%	+7%	+11%
		Non-hardware	+5%	+6%	+1%	+4%	+9%
	LC	Hardware	+17%	-11%	-5%	+4%	+4%
		Non-hardware	+3%	+1%	0%	+2%	+2%
Office MFDs	JPY	Hardware	+4%	-3%	-5%	-6%	+1%
		Non-hardware	-1%	+8%	0%	+2%	+7%
	LC	Hardware	+3%	-7%	-5%	-8%	-5%
		Non-hardware	-3%	+4%	0%	0%	+1%
LPs	JPY	Hardware	-4%	-16%	-12%	+36%	+17%
		Non-hardware	-6%	-9%	0%	+1%	+9%
	LC	Hardware	-5%	-19%	-12%	+33%	+11%
		Non-hardware	-6%	-11%	+1%	0%	+5%
IJPs	JPY	Hardware	+3%	+8%	+2%	+2%	-2%
		Non-hardware	+2%	+3%	-2%	-2%	0%
	LC	Hardware	+2%	+4%	+1%	0%	-8%
		Non-hardware	+1%	-1%	-3%	-4%	-6%

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	4Q			Full Year					Full Year	
	2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change	2026 Projection	% Change
Net Sales	168.4	161.3	+4.4%	580.6	568.8	+2.1%	580.9	-0.3	616.1	+6.1%
Op. Profit	14.6	8.9	+63.8%	32.8	24.7	+32.9%	31.3	+1.5	38.3	+16.9%
%	8.7%	5.5%		5.6%	4.3%		5.4%		6.2%	

* 2024 figures exclude the impact of impairment loss.

Net Sales Growth Rate Y/Y

(Local Currency)

	2025		2026
	4Q	FY	Projection
Total	+1.8%	+2.2%	+5.1%

Imaging

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	4Q			Full Year					Full Year	
	2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change	2026 Projection	% Change
Cameras	199.3	176.5	+13.0%	625.5	579.9	+7.9%	632.1	-6.6	675.3	+8.0%
Network Cameras & Others	129.2	101.1	+27.8%	429.4	357.5	+20.1%	417.6	+11.8	461.9	+7.6%
Net Sales	328.5	277.6	+18.4%	1,054.9	937.4	+12.5%	1,049.7	+5.2	1,137.2	+7.8%
Op. Profit	64.5	52.4	+23.1%	172.9	151.3	+14.3%	163.4	+9.5	184.1	+6.5%
%	19.6%	18.9%		16.4%	16.1%		15.6%		16.2%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025		2026
	4Q	FY	Projection
Cameras	+8.6%	+7.6%	+6.6%
NWCs & Others	+23.5%	+20.1%	+6.3%
Total	+14.0%	+12.4%	+6.5%

Digital Interchangeable Lens Cameras (DILCs) Units (Millions) & Unit Growth Rate Y/Y

	2025		2026
	4Q	FY	Projection
Units (Millions)	0.87	2.88	2.95
Growth Rate	+2%	+2%	+2%

Industrial

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	4Q			Full Year					Full Year	
	2025 Actual	2024 Actual	% Change	2025 Actual	2024 Actual	% Change	2025 Previous Projection	Amount Change	2026 Projection	% Change
Optical Equipment	82.8	93.6	-11.7%	256.4	253.4	+1.2%	260.4	-4.0	256.6	+0.1%
Industrial Equipment	33.0	27.4	+21.5%	104.7	98.3	+6.5%	105.5	-0.8	104.9	+0.2%
Net Sales	115.8	121.0	-4.3%	361.1	351.7	+2.7%	365.9	-4.8	361.5	+0.1%
Op. Profit	22.5	24.9	-9.8%	62.5	68.9	-9.3%	63.6	-1.1	63.8	+2.0%
%	19.4%	20.6%		17.3%	19.6%		17.4%		17.6%	

* From 2025, some reclassification between the Industrial Business Unit and Eliminations were made to manage the performance of reportable segments more appropriately. The figures for 2024 were also reclassified.

Net Sales Growth Rate Y/Y (Local Currency)

	2025		2026
	4Q	FY	Projection
Opt. Equip.	-13.0%	+0.7%	0.0%
Industrial Equip.	+21.1%	+6.3%	+0.1%
Total	-5.3%	+2.3%	0.0%

Lithography Equipment (Units)

		2025		2026
		4Q	FY	Projection
Semiconductor	KrF	15	46	71
	i-line	58	188	153
		73	234	224
FPD		8	33	20