Canon

July 27, 2026

Canon Inc.
Chairman & CEO: Fujio Mitarai
Securities code: 7751
Tokyo (Prime Market) and other Stock Exchanges

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Notice Regarding Recognition of Extraordinary Loss Associated with an Absorption-type Company Split of a Subsidiary (Non-Consolidated Financial Results)

As announced on December 24, 2025, in the notice titled "Notice of Execution of Absorption-type Company Split Agreement Regarding Succession of Certain Businesses of Canon Medical Systems Corporation by Company Split (Simplified Absorption-type Company Split)," Canon Inc. (the "Company") implemented the organizational restructuring on April 1, 2026. As a result, an extraordinary loss was recognized in the Company's non-consolidated financial statements, as follows.

1. Details

On the effective date of the absorption-type company split (April 1, 2026), the Company recorded an extraordinary loss of 99.9 billion yen in its non-consolidated financial statements for the second quarter of the fiscal year ending December 31, 2026. The extraordinary loss represents the difference between the net assets succeeded from Canon Medical Systems Corporation and the book value of the shares of Canon Medical Systems Corporation (subsidiary shares) held by the Company. The amount has been recognized as an extraordinary loss on the extinguishment of shares due to merger.

2. Impact on Consolidated Financial Results

Since this extraordinary loss is eliminated in the consolidated financial statements, it has no impact on the Company's consolidated financial results for the fiscal year ending December 31, 2026.