



Photograph location: Higotai Park, Ubuyama Village (Aso County, Kumamoto Pref., Japan)
Photographed using: EOS R3 / RF15-35mm F2.8 L IS USM

Interim Report for the 125th Business Term

From January 1, 2025 to June 30, 2025

To Our Shareholders

We are pleased to provide this overview of the first half (from January 1, 2025 to June 30, 2025) of our 125th Business Term.

As for the global economy, while signs of a modest recovery were seen in Europe, the economic slowdown in China, triggered by a slump in the real estate market, persisted. However, the global economy continued down a path of gradual recovery as the U.S. economy remained solid, despite concerns about the impact of tariff policies on economic conditions.

As for Canon, new products contributed to an increase in camera sales. We also increased sales of network cameras and medical equipment for which medium- to long-term market growth is expected. Together, these contributed to our record-high sales for the first half of the year.

Solid sales, especially in our growth businesses, contributed to increases in first half consolidated net sales and consolidated net income attributable to Canon Inc. of 2.0% and 4.1%, respectively, compared to the same period in the previous term. Combined with the effects of structural reforms, we maintained the momentum of sales and profit growth from the previous term.

Based on our first-half results, as previously announced, we decided to pay 80.00 yen per share as the interim dividend for this term, which is 5.00 yen higher than the interim dividend for the previous term.

Although political and economic uncertainties remain, including U.S. tariff policies, we aim to achieve our fifth consecutive year of sales growth and further profit expansion by accelerating sales expansion in growing markets for products such as semiconductor lithography equipment, digital commercial printing equipment, medical equipment, and network cameras, and by stimulating demand for office MFDs and cameras through the launch of new models and enhanced marketing. This year marks the final year of our five-year management plan, Phase VI of the Excellent Global Corporation Plan. We will steadily advance the three structural reforms implemented company-wide and work in a concerted effort to achieve further leaps forward in our seventh five-year plan beginning in 2026.

We look forward to our shareholders' continued support and encouragement.

August, 2025

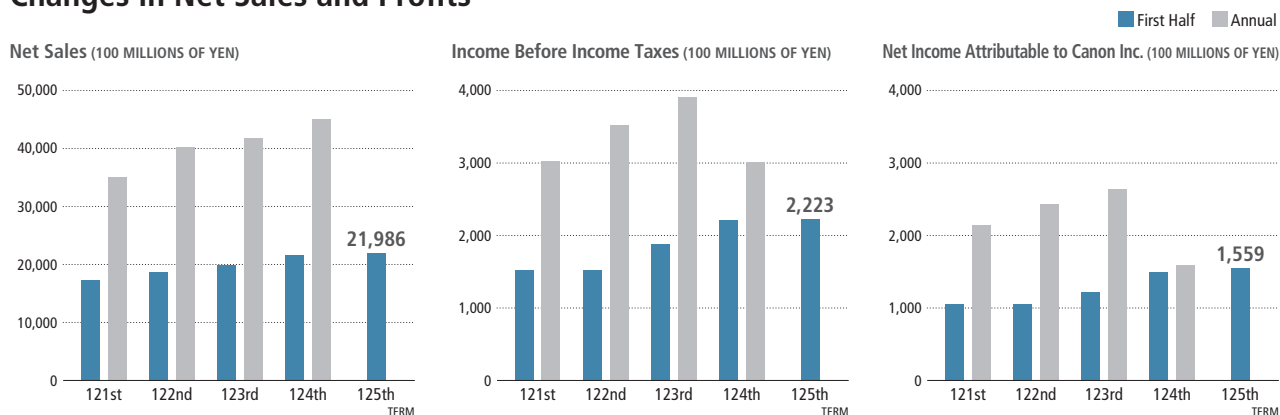
Chairman & CEO **FUJIO MITARAI**



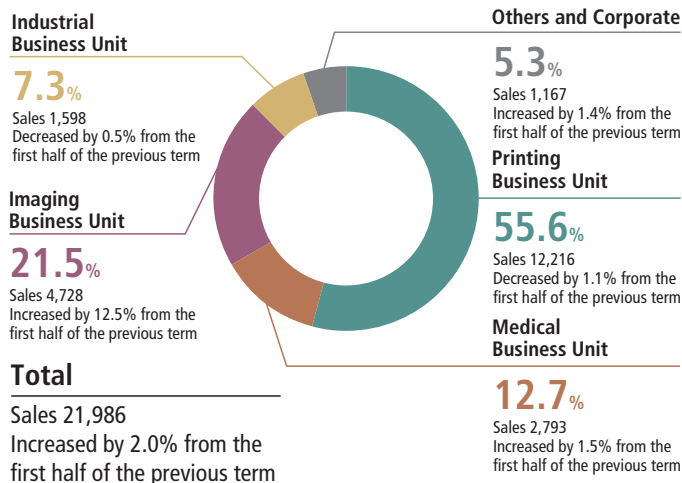
Highlights of Consolidated Results

- In the first half of this term, we mainly increased sales of growth businesses such as network cameras and medical equipment, as well as cameras. As a result, consolidated net sales for the first half of this term increased by 2.0% year on year.
- Consolidated net income attributable to Canon Inc. for the first half of this term increased by 4.1% year on year, thanks to solid sales and improved profitability due to the effects of structural reforms implemented in the previous year.

Changes in Net Sales and Profits



Constitution of Sales by Operations (100 MILLIONS OF YEN)



Printing Business Unit

Digital Continuous Feed Presses, Digital Sheet-fed Presses, Large Format Printers, Office Multifunction Devices (MFDs), Document Solutions, Laser Multifunction Printers (MFPs), Laser Printers, Inkjet Printers, Image Scanners, Calculators

Medical Business Unit

Computed Tomography (CT) Systems, Diagnostic Ultrasound Systems, Diagnostic X-ray Systems, Magnetic Resonance Imaging (MRI) Systems, Digital Radiography Systems, Ophthalmic Equipment, In Vitro Diagnostic Systems and Reagents, Healthcare IT Solutions

Imaging Business Unit

Interchangeable-Lens Digital Cameras, Interchangeable Lenses, Digital Compact Cameras, Compact Photo Printers, MR Systems, Network Cameras, Video Management Software, Video Content Analytics Software, Digital Camcorders, Digital Cinema Cameras, Broadcast Equipment

Industrial Business Unit

Semiconductor Lithography Equipment, FPD (Flat Panel Display) Lithography Equipment, OLED Display Manufacturing Equipment, Vacuum Thin-Film Deposition Equipment, Die Bonders

Others

Handy Terminals, Document Scanners

Notes: 1. The totals do not amount to 100% because the consolidated sales of each business unit include the sales relating to intersegment transactions.

2. In order to manage the performance of each reportable segment more appropriately, Canon has changed its performance management method for intersegment transactions in the Industrial Business Unit starting from this term. Accordingly, the figures for the previous term have also been restated.

Printing Business Unit

As for commercial and industrial printing, we have started to supply digital printing equipment to Heidelberger Druckmaschinen AG, a leading company of offset printing equipment. And we will drive sales growth by leveraging the synergy effects from our expanded product lineup and broadened sales channels. For office MFDs, with plans to further expand sales in the second half, we have started introducing core products of our new imageFORCE series, which incorporates new technologies that significantly enhance product functionality. Inkjet printer unit sales of refillable ink tank models increased by double digits, while laser printer sales grew due to increased shipments to Europe and the United States.

Sales for this business unit for the first half of this term decreased by 1.1% on a consolidated basis, in comparison to the first half of the previous term, due to the impact of yen appreciation. However, we will expand sales in the second half of the year by consecutively introducing new products.

Medical Business Unit

As for diagnostic imaging equipment, including CT, MRI, and diagnostic X-ray systems, we increased sales, primarily of large equipment in the United States, by expanding our sales force and strengthening relationships with medical institutions. We also grew sales in emerging markets, particularly in Latin America.

In April, we launched a multi-position CT system, the Aquilion Rise, which was developed through industry-academia collaboration. This single unit enables patient imaging not only in the conventional couch position, but also standing and sitting positions. By adding this new product that provides new value, we aim for further sales expansion.

As a result, sales for this business unit for the first half of this term increased by 1.5% on a consolidated basis, in comparison to the first half of the previous term.

Imaging Business Unit

As for interchangeable-lens digital cameras, in addition to the EOS R5 Mark II, a full-frame sensor mirrorless camera launched in the second half of the previous term, sales increased mainly due to the EOS R50 V, an entry-level model introduced this term. As for digital compact cameras, sales were strong, particularly for the PowerShot V1 that was launched in April, and by increasing production in the second half of the year, we will expand sales further. As for network cameras, where the market continues to grow, particularly for security applications, we increased sales by more than 20%, and we aim for continued growth in the second half.

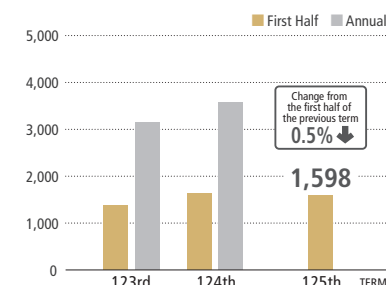
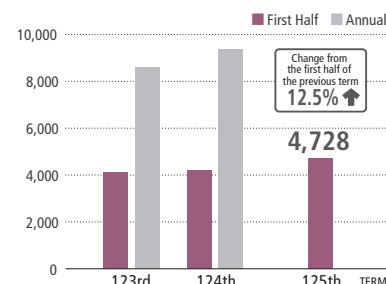
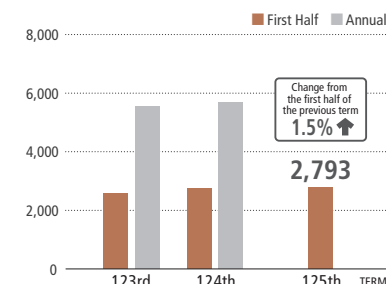
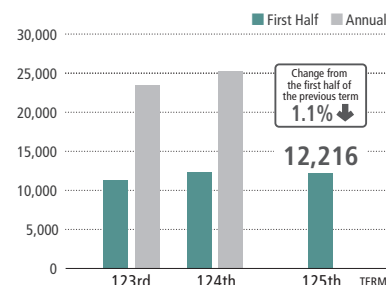
As a result, sales for this business unit for the first half of this term increased by 12.5% on a consolidated basis, in comparison to the first half of the previous term.

Industrial Business Unit

As for semiconductor lithography equipment, back-end processing equipment used in advanced packaging grew, driven by strong demand for GPUs used in generative AI, while memory-related investments showed a tendency to be postponed. As for nanoimprint, our next-generation semiconductor manufacturing equipment, we have shipped evaluation equipment to major semiconductor manufacturers, and considerations for mass production are progressing smoothly. Unit sales of display lithography equipment increased not only for IT panels used in notebook PCs and tablets, but also for smartphones.

Sales for this business unit for the first half of this term decreased slightly by 0.5% on a consolidated basis, in comparison to the first half of the previous term, but orders are accumulating toward the second half, and we will significantly expand sales by advancing our equipment production and installation at customer sites.

Change in Sales (100 MILLIONS OF YEN)





Multi-position CT system capable of imaging patients in not only couch position, but also standing and sitting positions



Mirrorless camera, EOS R1, meeting high requirements of professional photographers



Network cameras, continued growth driven by need for security and safety



Commercial printing equipment, market continues to grow due to expanding demand for high-mix, low-volume printing



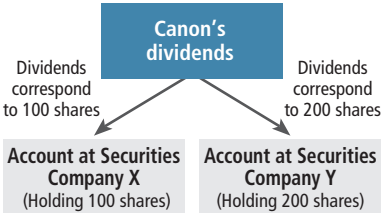
Nanoimprint semiconductor manufacturing equipment, contributing to reduced power consumption and cost savings

For Shareholders who Receive Dividends by Exchanging a “Receipt of Dividend” (Guidance for the Direct Deposit of Dividends into an Account)

We recommend the direct deposit of dividends into an account as a safer and more expeditious way to receive dividends. Please select one of the three ways to have dividends deposited into an account, outlined below.

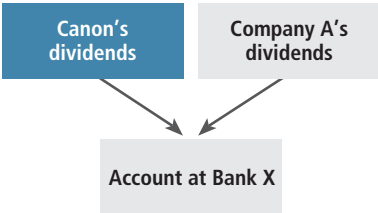
System of allocating dividends to securities company accounts in proportion to the number of shares held in respective accounts

With this method, the shareholders are able to receive dividends for each account they have with a securities company in proportion to the number of shares they hold.



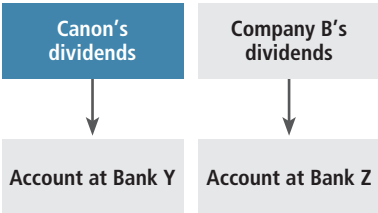
System of receiving dividends in the account registered for receipt of dividends

With this method, the shareholders are able to receive dividends for all of the issues they hold through one designated account with a financial institution.



System of designating an account for each issue held

With this method, the shareholders are able to designate the account that the dividends will be transferred to for each issue they hold.



For information regarding procedures:

If you hold shares through a securities company, please contact the securities company where you have an account.

If you don't hold shares through a securities company, please contact Mizuho Trust & Banking Co., Ltd. (0120-288-324; Toll free, available in Japan only)

Share Handling Procedures

For inquiries	If you hold shares through a securities company:	If you don't hold shares through a securities company*):
Address change	Please contact the securities company where you have an account.	Please contact Mizuho Trust & Banking Co., Ltd.
Requests for purchase or sale of shares less than one unit		
Changing the method for receiving dividends		
How to receive non-received dividends	Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd. 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-8507 0120-288-324 (Toll free, available in Japan only) Operating hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday, except national holidays)	

^{*} For the sale of shares, it is necessary to carry out procedures for the transfer of such shares to an account at a securities company etc. Should you have any inquiries about such procedures, please contact Mizuho Trust & Banking Co., Ltd.

Canon
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(By following the “Investor Relations” link on the top page, you can view financial information, the IR library, etc.)