



Second Quarter 2020 Results

Supplementary Data

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This document contains forward-looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed by available information. All statements other than statements of historical fact are statements that could be considered forward-looking statements. When used in this document, words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project" or "should" and similar expressions, as they relate to Canon, are intended to identify forward-looking statements. Many factors could cause the actual results, performance or achievements of Canon to be materially different from any future results, performance or achievements that may be expressed or implied by such forwardlooking statements, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products by other companies, lack of acceptance of new products or services by Canon's targeted customers, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors, both referenced and not referenced in this document. A detailed description of these and other risk factors is included in Canon's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. Canon does not intend or assume any obligation to update these forward-looking statements.

1. Segment Information by Business Unit

(Millions of yen)

	FY 2019			FY 2020			% Change Y/Y		
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	Full Year Projection	2Q	1st Half	Full Year
Office									
External customers	440,116	878,361	1,749,165	306,808	703,690	1,420,700	-30.3%	-19.9%	-18.8%
Intersegment	645	1,398	2,942	739	1,476	2,700	+14.6%	+5.6%	-8.2%
Total sales	440,761	879,759	1,752,107	307,547	705,166	1,423,400	-30.2%	-19.8%	-18.8%
Operating profit	40,385	85,027	164,996	-945	44,982	82,600	-	-47.1%	-49.9%
Operating profit ratio	9.2%	9.7%	9.4%	-0.3%	6.4%	5.8%			
Imaging System									
External customers	204,437	380,463	806,425	141,496	292,983	642,800	-30.8%	-23.0%	-20.3%
Intersegment	250	540	989	178	419	1,100	-28.8%	-22.4%	+11.2%
Total sales	204,687	381,003	807,414	141,674	293,402	643,900	-30.8%	-23.0%	-20.3%
Operating profit	12,656	17,393	48,167	773	1,690	16,100	-93.9%	-90.3%	-66.6%
Operating profit ratio	6.2%	4.6%	6.0%	0.5%	0.6%	2.5%			
Medical System									
External customers	104,942	214,282	437,456	101,774	207,829	441,100	-3.0%	-3.0%	+0.8%
Intersegment	201	281	1,069	78	117	300	-61.2%	-58.4%	-71.9%
Total sales	105,143	214,563	438,525	101,852	207,946	441,400	-3.1%	-3.1%	+0.7%
Operating profit	3,375	10,077	26,744	5,922	9,911	26,800	+75.5%	-1.6%	+0.2%
Operating profit ratio	3.2%	4.7%	6.1%	5.8%	4.8%	6.1%			
Industry & Others									
External customers	156,136	296,742	598,653	122,945	251,434	575,400	-21.3%	-15.3%	-3.9%
Intersegment	23,336	45,809	89,780	16,330	34,972	78,900	-30.0%	-23.7%	-12.1%
Total sales	179,472	342,551	688,433	139,275	286,406	654,300	-22.4%	-16.4%	-5.0%
Operating profit	9,495	15,271	19,392	-2,359	1,406	400	-	-90.8%	-97.9%
Operating profit ratio	5.3%	4.5%	2.8%	-1.7%	0.5%	0.1%			
Corporate & Eliminations									
External customers	238	487	1,600	292	-309	0	-	-	-
Intersegment	-24,432	-48,028	-94,780	-17,325	-36,984	-83,000	-	-	-
Total sales	-24,194	-47,541	-93,180	-17,033	-37,293	-83,000	-	-	-
Operating profit	-22,784	-44,215	-84,632	-21,146	-42,867	-80,900	-	-	-
Operating profit ratio									
Consolidated									
External customers	905,869	1,770,335	3,593,299	673,315	1,455,627	3,080,000	-25.7%	-17.8%	-14.3%
Intersegment	-	-	-	-	-	-	-	-	-
Total sales	905,869	1,770,335	3,593,299	673,315	1,455,627	3,080,000	-25.7%	-17.8%	-14.3%
Operating profit	43,127	83,553	174,667	-17,755	15,122	45,000	-	-81.9%	-74.2%
Operating profit ratio	4.8%	4.7%	4.9%	-2.6%	1.0%	1.5%			

* Certain businesses that were included in Industry & Others are now included in Office. Results for the previous year have been restated to confirm with the new presentation.

2. Other Income

	FY 2019			FY 2020			% Change Y/Y		
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	Full Year Projection	2Q	1st Half	Full Year
Interest and dividend, net	1,105	2,381	4,488	285	1,237	1,451	-820	-1,144	-3,037
FX gain (loss)	1,461	762	-4,236	-1,248	-1,063	3,074	-2,709	-1,825	+7,310
Equity earnings of affiliated cos.	197	115	-311	-133	-94	-139	-330	-209	+172
Other, net	5,185	10,377	21,132	11,628	12,086	20,614	+6,443	+1,709	-518
Total	7,948	13,635	21,073	10,532	12,166	25,000	+2,584	-1,469	+3,927

3. Net Sales by Region & Business Unit

(Millions of yen)

	FY 2019			FY 2020			% Change Y/Y		
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	Full Year Projection	2Q	1st Half	Full Year
Japan									
Office	97,671	202,485	403,845	80,834	188,783	-	-17.2%	-6.8%	-
Imaging System	30,518	55,657	128,638	21,850	44,557	-	-28.4%	-19.9%	-
Medical System	40,719	92,826	182,506	40,079	91,385	-	-1.6%	-1.6%	-
Industry & Others	41,666	78,651	155,945	34,238	67,555	-	-17.8%	-14.1%	-
Eliminations	238	487	1,600	292	-309	-	+22.7%	-163.4%	-
Total	210,812	430,106	872,534	177,293	391,971	791,300	-15.9%	-8.9%	-9.3%
Overseas									
Office	342,445	675,876	1,345,320	225,974	514,907	-	-34.0%	-23.8%	-
Imaging System	173,919	324,806	677,787	119,646	248,426	-	-31.2%	-23.5%	-
Medical System	64,223	121,456	254,950	61,695	116,444	-	-3.9%	-4.1%	-
Industry & Others	114,470	218,091	442,708	88,707	183,879	-	-22.5%	-15.7%	-
Eliminations	0	0	0	0	0	-	-	-	-
Total	695,057	1,340,229	2,720,765	496,022	1,063,656	2,288,700	-28.6%	-20.6%	-15.9%
Americas									
Office	143,052	282,738	576,103	93,284	217,324	-	-34.8%	-23.1%	-
Imaging System	54,487	100,158	218,209	39,257	77,768	-	-28.0%	-22.4%	-
Medical System	27,537	50,993	104,739	22,638	44,657	-	-17.8%	-12.4%	-
Industry & Others	32,994	62,547	130,027	27,622	58,487	-	-16.3%	-6.5%	-
Eliminations	0	0	0	0	0	-	-	-	-
Total	258,070	496,436	1,029,078	182,801	398,236	831,000	-29.2%	-19.8%	-19.2%
Europe									
Office	128,434	252,820	492,524	82,048	191,966	-	-36.1%	-24.1%	-
Imaging System	59,411	110,992	232,326	45,585	98,019	-	-23.3%	-11.7%	-
Medical System	17,929	37,451	79,461	18,879	36,473	-	+5.3%	-2.6%	-
Industry & Others	18,091	37,485	78,169	14,110	31,967	-	-22.0%	-14.7%	-
Eliminations	0	0	0	0	0	-	-	-	-
Total	223,865	438,748	882,480	160,622	358,425	754,100	-28.3%	-18.3%	-14.5%
Asia & Oceania									
Office	70,959	140,318	276,692	50,642	105,617	-	-28.6%	-24.7%	-
Imaging System	60,021	113,656	227,252	34,804	72,639	-	-42.0%	-36.1%	-
Medical System	18,757	33,012	70,750	20,178	35,314	-	+7.6%	+7.0%	-
Industry & Others	63,385	118,059	234,512	46,975	93,425	-	-25.9%	-20.9%	-
Eliminations	0	0	0	0	0	-	-	-	-
Total	213,122	405,045	809,206	152,599	306,995	703,600	-28.4%	-24.2%	-13.1%
Intersegment									
Office	645	1,398	2,942	739	1,476	-	+14.6%	+5.6%	-
Imaging System	250	540	989	178	419	-	-28.8%	-22.4%	-
Medical System	201	281	1,069	78	117	-	-61.2%	-58.4%	-
Industry & Others	23,336	45,809	89,780	16,330	34,972	-	-30.0%	-23.7%	-
Eliminations	-24,432	-48,028	-94,780	-17,325	-36,984	-	-	-	-
Total	0	0	0	0	0	0	-	-	-
Total									
Office	440,761	879,759	1,752,107	307,547	705,166	-	-30.2%	-19.8%	-
Imaging System	204,687	381,003	807,414	141,674	293,402	-	-30.8%	-23.0%	-
Medical System	105,143	214,563	438,525	101,852	207,946	-	-3.1%	-3.1%	-
Industry & Others	179,472	342,551	688,433	139,275	286,406	-	-22.4%	-16.4%	-
Eliminations	-24,194	-47,541	-93,180	-17,033	-37,293	-	-	-	-
Total	905,869	1,770,335	3,593,299	673,315	1,455,627	3,080,000	-25.7%	-17.8%	-14.3%

* Certain businesses that were included in Industry & Others are now included in Office. Results for the previous year have been restated to confirm with the new presentation.

4. Statements of Cash Flows

	FY 2019			FY 2020			% Change Y/Y		
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	Full Year Projection	2Q	1st Half	Full Year
Net cash provided by operating activities	52,304	113,173	358,461	77,482	140,831	182,000	+25,178	+27,658	-176,461
Net cash used in investing activities	-59,143	-110,775	-228,568	-29,268	-72,874	-235,000	+29,875	+37,901	-6,432
Free cash flow	-6,839	2,398	129,893	48,214	67,957	-53,000	+55,053	+65,559	-182,893
Net cash provided by (used in) financing activities	-20,544	-107,544	-232,590	8,633	22,249	49,900	+29,177	+129,793	+282,490
Effect of exchange rate changes on cash and cash equivalents	-6,221	-8,007	-5,134	3,257	-2,974	-9,714	+9,478	+5,033	-4,580
Net change in cash and cash equivalents	-33,604	-113,153	-107,831	60,104	87,232	-12,814	+93,708	+200,385	+95,017
Cash and cash equivalents at end of period	407,492	407,492	412,814	500,046	500,046	400,000	+92,554	+92,554	-12,814

5. Foreign Exchange Rate Impact

(1) Exchange rates

(Yen)

	FY 2019			FY 2020			
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	2nd Half Projection	Full Year Projection
USD/Yen	109.80	110.05	109.03	107.59	108.34	105.00	106.60
EUR/Yen	123.39	124.24	122.03	118.66	119.47	118.00	118.72

(2) Amount of impact on net sales (Year over Year)

(Billions of yen)

	FY 2020		
	2Q Actual	1st Half Actual	Full Year Projection
USD	-5.0	-6.8	-22.8
EUR	-5.3	-12.3	-16.5
Other currencies	-4.1	-7.2	-15.1
Total	-14.4	-26.3	-54.4

(3) Impact of foreign exchange rate per yen

(Billions of yen)

	FY 2020
	2nd Half Projection
On sales	
USD	5.3
EUR	2.7
On operating Profit	
USD	1.7
EUR	1.1

6. Sales Growth on a Local Currency Basis (Year over Year)

	FY 2020		
	2Q Actual	1st Half Actual	Full Year Projection
Office			
Japan	-17.2%	-6.8%	-
Overseas	-32.2%	-22.2%	-
Total	-28.8%	-18.6%	-17.4%
Imaging System			
Japan	-28.4%	-19.9%	-
Overseas	-28.7%	-20.9%	-
Total	-28.7%	-20.8%	-18.3%
Medical System			
Japan	-1.6%	-1.6%	-
Overseas	+0.4%	-0.5%	-
Total	-0.5%	-1.0%	+2.8%
Industry & Others			
Japan	-17.8%	-14.1%	-
Overseas	-21.5%	-14.6%	-
Total	-21.8%	-15.7%	-4.1%
Total			
Japan	-15.9%	-8.9%	-
Overseas	-26.6%	-18.7%	-
Americas	-27.2%	-18.4%	-
Europe	-25.8%	-15.5%	-
Asia and Oceania	-26.6%	-22.5%	-
Total	-24.1%	-16.3%	-12.8%

7. R&D Expenditure / Capex / Depreciation & Amortization

(Millions of yen)

	FY 2019			FY 2020		
	2Q Actual	1st Half Actual	Full Year Actual	2Q Actual	1st Half Actual	Full Year Projection
R&D Expenditure						
Office	20,764	42,150	83,557	17,077	36,006	-
Imaging System	17,773	35,456	73,087	12,458	26,867	-
Medical System	9,652	18,988	38,762	9,358	18,982	-
Industry and Others	20,617	39,802	82,837	18,037	36,335	-
Corporate & Eliminations	5,641	11,986	20,260	6,792	13,475	-
Total	74,447	148,382	298,503	63,722	131,665	270,000
% of Net Sales	8.2%	8.4%	8.3%	9.5%	9.0%	8.8%
Capex	48,682	94,779	178,088	27,981	57,986	160,000
Depreciation & Amortization	58,538	117,370	237,327	54,741	108,531	200,000

8. Other Financial / Non-Financial Data

	FY 2019		FY 2020	
	1st Half Actual	Full Year Actual	1st Half Actual	Full Year Projection
ROE	4.8%	4.5%	1.1%	1.7%
ROA	2.7%	2.6%	0.6%	0.9%
EPS - Basic (Yen)	61.22	116.93	12.41	40.96
EPS - Diluted (Yen)	61.22	116.91	12.41	40.95

	FY 2019	FY 2020
	Dec. 31	Jun. 30
Debt Ratio	10.8%	14.3%
Number of Employees		
Japan	72,979	73,543
Overseas	114,062	110,838
Total	187,041	184,381
Domestic Production Ratio	62%	66%