
Canon Inc.

First Quarter 2025 Results

April 24, 2025

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Agenda



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- Overall, our markets remained solid as expected
- Network camera sales up nearly 30%
Double-digit sales growth of laser printers,
and cameras thanks to the launch of new cameras last year
Unit sales of semiconductor lithography equipment up more than 10%
- Net sales up 7.1%, at record high for first quarter
- Profit up 20%, in addition to increased sales, benefits from last year's sales structure reform
- Operating profit ratio up 1 point to 9.1%. Highest level in 10 years

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In the first quarter, despite economic weakness in Europe and continued economic slowdown in China due to the real estate crisis, the global economy remained stable, thanks to solid economic activity in the United States. Our markets also progressed basically in line with our expectations.

Looking at our performance in the first quarter, sales of network cameras increased by nearly 30%, while sales of laser printers and cameras increased by more than double digits. Additionally, for semiconductor lithography equipment, where medium- to long-term growth is expected, we increased unit sales by more than 10%.

As a result, first quarter net sales increased by 7.1%, which allowed us to achieve record high sales for the first quarter.

As for profit, in addition to increased sales, the effects of last year's sales structural reforms led to an increase of more than 20%. As a result, our operating profit ratio improved by 1 point to 9.1%, the highest level for the first quarter over the past 10 years.

In this way, we maintained the momentum from last year's sales and profit growth in the first quarter.

P&L (1Q 2025 Results)



(Billions of yen)	2025 Actual	2024 Actual	% Change
Net Sales	1,058.4	988.5	+ 7.1%
Gross Profit (% of Net Sales)	500.9 47.3%	478.4 48.4%	+ 4.7%
Op. Expenses (% of Net Sales)	404.4 38.2%	398.3 40.3%	
Op. Profit (% of Net Sales)	96.5 9.1%	80.1 8.1%	+ 20.5%
Non-operating Income	2.3	9.1	
IBT	98.8	89.2	+ 10.8%
Net Income (% of Net Sales)	72.2 6.8%	59.9 6.1%	+ 20.5%
USD	152.41	148.69	
EUR	160.51	161.35	

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First quarter net sales increased by 7.1% to 1 trillion 58.4 billion yen.

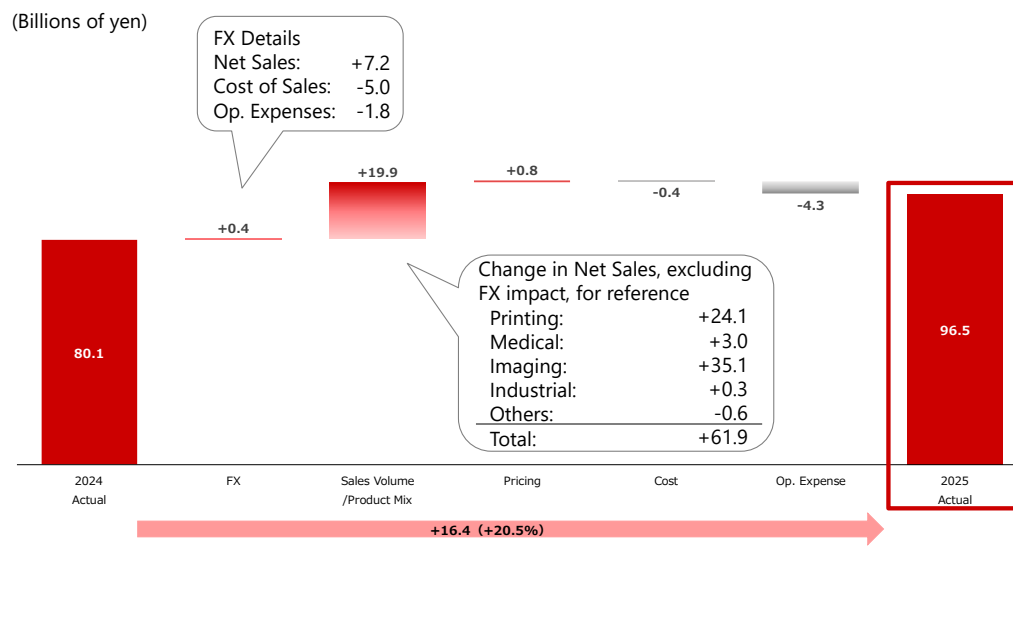
As for gross profit, although profitability declined by 1.1 points, operating expenses as a percentage of sales decreased by 2.1 points thanks in part to the effects of sales structure reforms that we carried out last year.

As a result, operating profit and net income compared to the same period of last year were up significantly, increasing by 20.5% to 96.5 billion yen and by 20.5% to 72.2 billion yen, respectively.

1Q 2025 Operating Profit Analysis

(1Q 2025 Actual versus 1Q 2024 Actual)

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As the yen weakened against the dollar and strengthened against the euro, the impact of changes in exchange rates was basically flat, while the change in volume and product mix had a positive effect of 19.9 billion yen due to increased sales in our Printing and Imaging groups.

As for selling prices and costs, the impact was also basically flat.

As for operating expenses, although we incurred an increase in personnel costs, linked to a step up in base salaries, and new product development costs, we were able to limit the overall rise in operating expenses to 4.3 billion yen, thanks in part to the effects of reviewing the expense structure of sales companies. As a result, operating profit increased by 16.4 billion yen or by 20.5% to 96.5 billion yen.

1Q 2025 Financial Results by Business Unit



(Billions of yen)		2025 Actual	2024 Actual	% Change
Printing	Net Sales	611.0	580.3	+5.3%
	Op. Profit	73.1	65.5	+11.5%
	(%)	(12.0%)	(11.3%)	
Medical	Net Sales	137.3	134.2	+2.3%
	Op. Profit	6.7	5.6	+20.2%
	(%)	(4.9%)	(4.2%)	
Imaging	Net Sales	212.1	175.5	+20.8%
	Op. Profit	31.2	14.3	+118.9%
	(%)	(14.7%)	(8.1%)	
Industrial	Net Sales	67.5	67.4	+0.1%
	Op. Profit	8.4	12.1	-30.5%
	(%)	(12.4%)	(17.9%)	
Others & Corporate	Net Sales	56.0	55.1	+1.6%
	Op. Profit	-23.5	-18.9	-
Eliminations	Net Sales	-25.5	-24.0	-
	Op. Profit	0.6	1.5	-
Total	Net Sales	1,058.4	988.5	+7.1%
	Op. Profit	96.5	80.1	+20.5%
	(%)	(9.1%)	(8.1%)	

* 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.

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In Printing, starting with commercial printing, sales of the imagePRESS V-series of cut-sheet printers increased. In the office business, sales of office MFD hardware declined compared to the same period of last year, due to the timing of large-scale business deals. Overall, office sales increased thanks to a significant increase in IT solutions business sales where we saw strong demand. Sales of laser printers have been stable since the completion of shipment adjustments in the second quarter of last year. As for inkjet printers, sales of refillable ink tank models increased, particularly in emerging markets. As a result, sales for the entire business unit increased by 5.3%, and the profit ratio improved further from the previous year to 12.0%.

As for Medical, by expanding sales as planned in Asia, South America and other emerging markets, overall sales grew 2.3%. As for profits, the operating profit ratio improved to 4.9% due to an increase in sales and initial results from the business reform activities we have been working on since last year.

In Imaging, starting with cameras, in addition to sales growth of full-frame models, in particular the EOS R5 Mark II that we launched in the second half of last year, demand for entry-level cameras also increased, especially among young people, owing to the spread of SNS. Sales of network cameras also continued to grow steadily, resulting in a 20.8% increase in the entire business unit sales and a significant increase in profit.

In Industrial, we sold 56 units of semiconductor lithography equipment, largely for back-end processing. We also increased our sales of FPD lithography equipment by 4 units for a total of 5. However, for industrial equipment, as we shifted the focus of our sales efforts towards the second large-size system for IT panels, sales for the business unit remained at the same level as last year.

Assumptions

- Additional tariffs of 10% (China 145%) to continue from April to December
- Respond to cost increase from additional tariffs by raising prices
- Decreased unit sales as a result of price increase and customers less willing to invest due to growing uncertainty

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Next, our outlook for the full year.

As widely reported, the most important factor to consider when forecasting 2025 is, of course, the impact of additional U.S. tariffs. As negotiations regarding additional tariffs have just started between the United States and other countries around the world, including Japan, it is very difficult to determine the final tariff rate, the items subject to tariffs, and the impact on the United States and the global economy. However, as our sales in the United States exceeds 1.2 trillion yen, and since our production in the United States is limited, the impact of tariffs on our business performance is unavoidable.

With this in mind, we calculated the impact on sales and profits under the assumption that the additional tariff rate of 10% will continue from April until the end of the year, with each business absorbing the impact by raising selling prices according to the situation. In estimating the impact on sales and profits, we have also considered to a certain extent the decrease in sales volume and decline in demand due to price increases.

However, this is merely an assumption at this point in time. There is a possibility that the assumptions may change significantly depending on future negotiations.

2025 Financial Projection (Full Year)



		Assuming Additional Tariff of 10%							
(Billions of yen)	2025 Previous Projection	FX	Tariff Cost	Pricing	Sales Volume	Total Change	2025 Current Projection (incl. Tariff Impact)	2024 Actual (excl. Impairment Loss)	%Change
Net Sales	4,736.0	-74.0		42.8	-54.8	-86.0	4,650.0	4,509.8	+3.1%
Gross Profit (% of Net Sales)	2,240.5 47.3%	-38.6	-56.0	42.8	-18.7	-70.5	2,170.0 46.7%	2,143.1 47.5%	+1.3%
Op. Expenses (% of Net Sales)	1,721.5 36.3%	19.3	0.0		-1.8	17.5	1,704.0 36.7%	1,698.2 37.6%	
Op. Profit (% of Net Sales)	519.0 11.0%	-19.3	-56.0	42.8	-20.5	-53.0	466.0 10.0%	444.9 9.9%	+4.8%
IBT	536.0					-55.0	481.0	466.3	+3.2%
Net Income (% of Net Sales)	364.0 7.7%					-31.0	333.0 7.2%	325.1 7.2%	+2.4%
USD	150.00						144.38	151.63	
EUR	160.00						160.11	163.99	

Impact of exchange rate movement
(2Q-4Q impact given a one yen change)

	Net Sales	Op. Profit
USD	10.0 billion yen	2.7 billion yen
EUR	5.3 billion yen	2.8 billion yen

As it is difficult to accurately predict the impact of additional U.S. tariffs at this time, we have calculated the impact on the entire company at a high level and have included it in the "Others and Corporate" segment rather than the business group segments.

As shown on this slide, we expect the additional tariffs to increase costs by 56 billion yen, which we will be partially offset through price increases totaling 42.8 billion yen. However, due to the expected decrease in sales volume caused by price increases and a decline in demand due to the economic downturn, we expect the impact from lower sales volumes to be a decrease of 54.8 billion yen on sales and a decrease of 20.5 billion yen on profits.

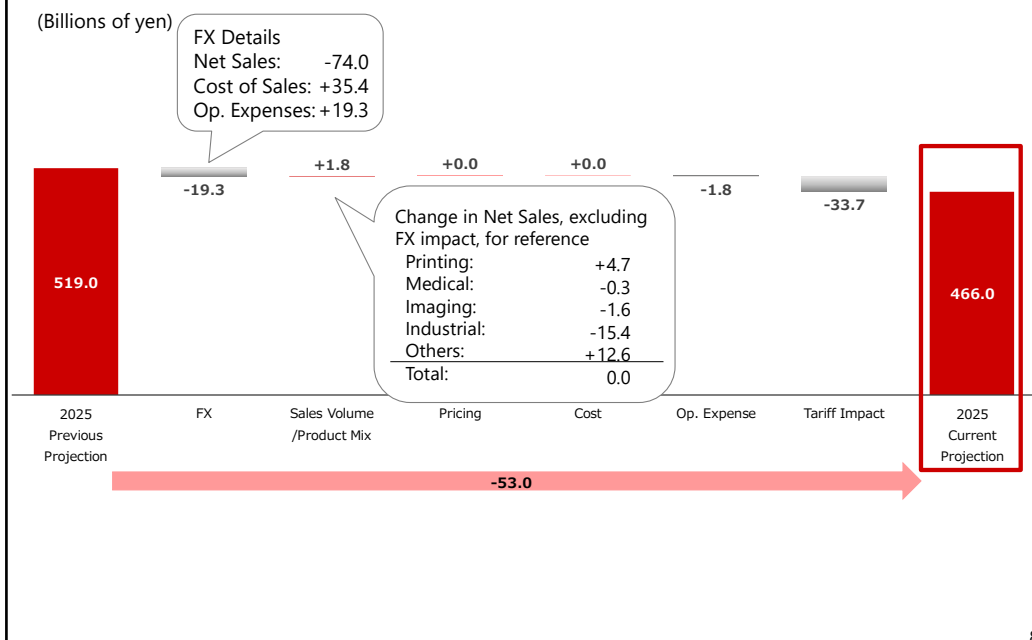
As for other changes, we have revised our exchange rate assumption to 142 yen to the U.S. dollar, an appreciation of 8 yen from the second quarter onwards. This as well, will have a negative impact of approximately 74 billion yen on sales and approximately 20 billion yen on operating profit compared to our previous projection.

As for our current projection for the full year, based on these revisions, we lowered our projection for sales by 86 billion yen, operating profit by 53 billion yen, and net income by 31 billion yen, but still expect net sales to increase by 3.1% to 4.65 trillion yen, operating profit to increase by 4.8% to 466 billion yen, and net income to increase by 2.4% to 333 billion yen, as we remain focused on maintaining sales and profit growth.

2025 Operating Profit Analysis

(FY 2025 Current Projection versus FY 2025 Previous Projection)

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Next, an analysis of operating profit compared to our previous projection.

As for exchange rates, we expect a negative impact of 19.3 billion yen for the full year due to our assumption that the yen exchange rate will change from 150 to 142 yen, a 8 yen appreciation from what we assumed in our previous projection.

There are no major changes to volume & product mix or expenses.

Regarding the impact of tariffs that I explained earlier, we factored in an increase of 56 billion yen in costs, 42.8 billion yen in price increases, and a reduction of 20.5 billion yen in sales volume, for a net total decrease of 33.7 billion yen. As a result, operating profit is estimated to be 466 billion yen, a 53 billion yen decrease compared to our previous projection.

Review of Business Structure

		(Billions of yen)		
		2024	2025	
		FY	1Q	FY
Sales	Cost	-20.0	-1.2	-6.0
	Effect	8.0	5.0	22.0
	PL Impact	-12.0	3.8	16.0
Production	Cost	0.0	-0.9	-20.0
	Effect	0.0	0.0	0.0
	PL Impact	0.0	-0.9	-20.0
Medical Business Innovation	Cost	-2.5	-0.7	-5.0
	Effect	0.0	1.5	10.0
	PL Impact	-2.5	0.8	5.0
Total	Cost	-22.5	-2.8	-31.0
	Effect	8.0	6.5	32.0
	PL Impact	-14.5	3.7	1.0

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A review of our business structure.

We are making steady progress up to the first quarter of this year, in the structural reforms that we are currently carrying out.

First, the review of our sales structure. The effects of the measures implemented last year have contributed 5 billion yen from the first quarter, and we expect to achieve 22 billion yen in cost savings for the full year. We are expecting further structural reforms in Europe this year, and have factored in costs of approximately 6 billion yen in our plan.

Second, the review of our production structure., We are reviewing our production bases from the perspective of geopolitical risks and productivity. We are looking into optimizing our supply chain taking into account the impact of reciprocal tariffs in the U.S. We expect expenses of 20 billion yen to be incurred mainly in the latter half of this year.

Third, Medical business innovation. To improve profitability, we thoroughly examined each operation, including development, production, management, and sales. In response to the many issues that were uncovered, three working groups - business innovation, development, and SCM - are already implementing measures to resolve them, and we are starting to see some positive effects in the first quarter. By reviewing loss-making businesses and subsidiaries, reducing external expenditures, and improving service operations, we expect to increase profits by approximately 10 billion yen this year.

2025 Financial Projection by Business Unit (Full Year)



(Billions of yen)		2025 Current Projection (incl. Tariff Impact)	2024 Actual	% Change	2025 Previous Projection	Amount Change	FX Impact	excl. FX Impact
Printing	Net Sales	2,523.1	2,522.7	+0.0%	2,558.0	-34.9	-39.6	+4.7
	Op. Profit	314.7	289.9	+8.6%	323.6	-8.9	-8.4	-0.5
	(%)	(12.5%)	(11.5%)		(12.7%)			
Medical	Net Sales	580.9	568.8	+2.1%	590.0	-9.1	-8.8	-0.3
	Op. Profit	37.7	24.7	+52.9%	39.5	-1.8	-1.9	+0.1
	(%)	(6.5%)	(4.3%)		(6.7%)			
Imaging	Net Sales	1,011.5	937.4	+7.9%	1,036.7	-25.2	-23.6	-1.6
	Op. Profit	160.6	151.3	+6.1%	169.2	-8.6	-8.4	-0.2
	(%)	(15.9%)	(16.1%)		(16.3%)			
Industrial	Net Sales	402.1	351.7	+14.3%	418.5	-16.4	-1.0	-15.4
	Op. Profit	70.5	68.9	+2.3%	76.3	-5.8	-0.4	-5.4
	(%)	(17.5%)	(19.6%)		(18.2%)			
Others & Corporate	Net Sales	225.7	233.7	-3.4%	226.1	-0.4	-1.0	+0.6
	Op. Profit	-117.7	-91.2	-	-89.8	-27.9	-0.2	-27.7
Eliminations	Net Sales	-93.3	-104.5	-	-93.3	0.0	0.0	0.0
	Op. Profit	0.2	1.3	-	0.2	0.0	0.0	0.0
Total	Net Sales	4,650.0	4,509.8	+3.1%	4,736.0	-86.0	-74.0	-12.0
	Op. Profit	466.0	444.9	+4.8%	519.0	-53.0	-19.3	-33.7
	(%)	(10.0%)	(9.9%)		(11.0%)			

* 2024 figures exclude the impact of impairment loss.
 * 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.

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Regarding sales and profits by business unit, excluding the change in assumed exchange rate from 150 yen to 142 yen to the dollar, we factored in the impact of delays in investment plans for memory devices in Industrial, and raised our sales plan for Printing based on the results of the first quarter.

Also, the impact of additional tariffs on sales and profits is included in the "Others and Corporate" segment.

Inventory

- Inventory at end of March increased by 30 billion yen compared to the end of last year, in preparation for sales expansion from the second quarter onward
- Aiming for an optimal inventory level of less than 60 days by end of 2025

		FY 2024				FY 2025
		Mar.-end	Jun.-end	Sep.-end	Dec.-end	Mar.-end
Printing	Amt.	347.6	361.5	344.1	342.7	334.4
	Days	52	53	50	49	47
Medical	Amt.	141.1	146.0	142.1	133.2	139.8
	Days	86	97	95	83	85
Imaging	Amt.	191.5	182.4	168.5	158.6	176.4
	Days	86	79	63	56	66
Industrial	Amt.	146.4	150.2	158.7	138.0	150.7
	Days	160	168	175	130	146
Others & Corporate	Amt.	68.3	72.4	76.3	69.4	71.5
Total	Amt.	894.9	912.5	889.7	841.9	872.8
	Days	76	77	72	65	68

(Billions of yen)

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Inventories as of the end of March 2025 increased by approximately 30 billion yen, mainly in Imaging and Industrial, compared to the end of last year, when sales were at their highest and inventories were at their lowest.

The PSI optimization project is making steady progress in reducing inventory through improvements in production, sales, and inventory management. And they aim to lower inventory levels to below 60 days by the end of the year.

Cash Flow

(Full Year)



- Operating cash flow expected to be approximately 630 billion yen, exceeding last year
- No change in plans for investments and dividends

(Billions of yen)	FY 2025 Current Projection (incl. Tariff Impact)	FY 2025 Previous Projection	FY 2024 Actual	FY 2023 Actual
Net income	333.0	364.0	325.1	264.5
Depreciation and amortization	240.0	240.0	235.5	238.7
Others	56.0	47.0	46.2	-52.0
Net cash provided by operating activities	629.0	651.0	606.8	451.2
Capital expenditure	-250.0	-250.0	-237.0	-231.7
Others	-100.0	-100.0	-60.3	-43.7
Net cash used in investing activities	-350.0	-350.0	-297.3	-275.4
Free cash flow	279.0	301.0	309.5	175.8
Net cash provided by (used in) financing activities	-348.0	-345.0	-226.0	-156.7
Effect of exchange rate changes on cash and cash equivalents	-15.6	-7.6	16.7	20.1
Net change in cash and cash equivalents	-84.6	-51.6	100.2	39.2
Cash and cash equivalents at end of period	417.0	450.0	501.6	401.3
Cash-on-hand (In months of Net sales)	1.1	1.1	1.3	1.1

* Cash-on-hand for 2023 and 2024 calculated using second half net sales. 2025 figures based on net sales for full year.

* 2024 net income figure excludes the impact of impairment loss.

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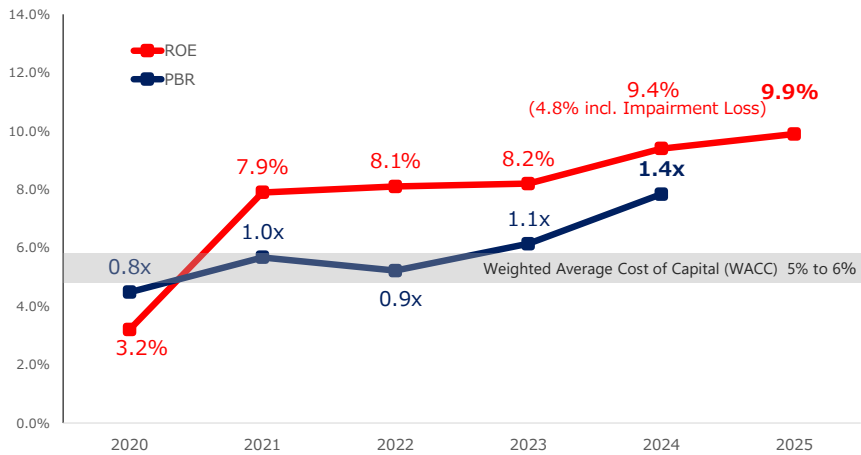
This year's operating cash flow is expected to be approximately 630 billion yen, higher than last year, but lower than our previous projection due to a decrease in net income as a result of U.S. tariffs.

As for investing cash flow, we will invest 250 billion yen as scheduled, which includes construction of a new Utsunomiya factory building for semiconductor lithography equipment scheduled for completion in July as well as a review of our production structure. We will also continue to record expenses for M&A.

As for shareholders return, there is no change in our plan to buyback 200 billion yen of our own shares, as we did last year, nor to our plan to raise our dividend by 5 yen to the pre-COVID level of 160 yen per share. We will continue to conduct shareholders return in a stable and proactive manner.

Return on Capital

- Expect ROE to be 9.9% in 2025
- Improve return on capital to achieve ROE of 10% or higher, through structural reforms

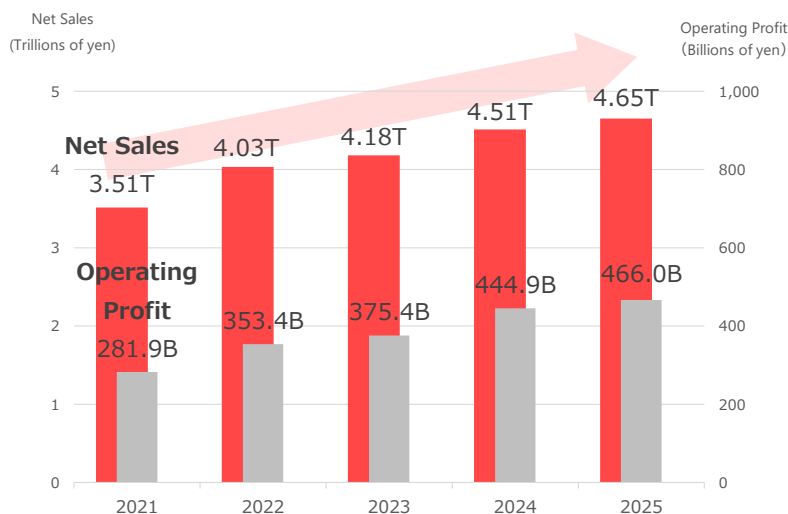


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While our net income ratio is expected to remain the same due to the impact of tariffs, ROE is expected to increase by 0.5 points from last year to 9.9% thanks to asset efficiency improvements and the use of financial leverage.

We will continue to steadily implement the three structural reforms we are currently working on and work to improve capital return so that we can achieve an ROE of 10% or more as soon as possible.

- Complete structural reforms in 2025, the year to close out 5-year plan, and work to solidify foundation for next 5-years



* 2024 excludes the impact of impairment loss.

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Finally,

Sales increased in the first quarter, and with the effects of the ongoing structural reforms also contributing, we were able to maintain the momentum of sales and profit growth that has continued since last year. From the second quarter onwards, U.S. tariffs will cause increased uncertainty regarding our business performance and the global economy. However, since the COVID-19 pandemic, we have been continuously working on structural reforms in our development, production and sales, and the results of these efforts are steadily appearing in the form of improved growth, profitability and efficiency.

In this review, we have lowered our projection due to the impact of the strong yen and U.S. tariffs. However, we will overcome these challenges by leveraging the robust management capabilities we have cultivated thus far and aim to achieve an increase in sales and profits for the fifth consecutive year (excluding impairment loss).

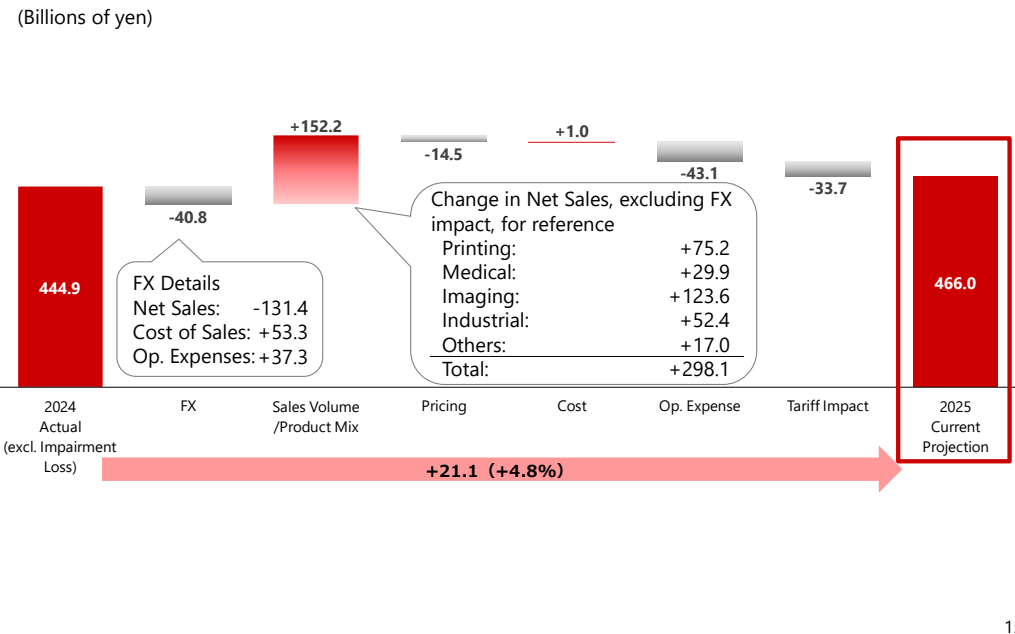
Additionally, this year marks the final year of our five-year initiative, Phase VI of the "Excellent Global Corporation Plan," during which we will work in a concerted effort to bring the three structural reforms we are undertaking to a close and to achieve further progress in the next five-year plan starting in 2026.

Supplementary Information

2025 Operating Profit Analysis

(FY 2025 Current Projection versus FY 2024 Actual)

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Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

		1Q			Full Year				
		2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Production		99.9	99.0	+0.9%	448.4	441.5	+1.6%	457.7	-9.3
Office	Office MFDs	149.2	156.3	-4.6%	637.6	647.0	-1.5%	650.1	-12.5
	Others	110.9	98.3	+12.9%	431.5	408.1	+5.7%	433.6	-2.1
		260.1	254.6	+2.2%	1,069.1	1,055.1	+1.3%	1,083.7	-14.6
Prosumer	LPs	168.0	145.4	+15.5%	660.0	679.6	-2.9%	664.3	-4.3
	IJPs	83.0	81.3	+2.2%	345.6	346.5	-0.3%	352.3	-6.7
		251.0	226.7	+10.7%	1,005.6	1,026.1	-2.0%	1,016.6	-11.0
Net Sales		611.0	580.3	+5.3%	2,523.1	2,522.7	+0.0%	2,558.0	-34.9
Op. Profit		73.1	65.5	+11.5%	314.7	289.9	+8.6%	323.6	-8.9
%		12.0%	11.3%		12.5%	11.5%		12.7%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Production	-0.1%	+5.2%
Office	+1.6%	+3.7%
Prosumer	+9.7%	+0.9%
Total	+4.5%	+2.8%

Unit Growth Rate Y/Y

	2025	
	1Q	Full Year Projection
Office MFDs	-5%	+5%
LPs	+17%	-5%
IJPs	+13%	+4%

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Production

As for commercial printing, amid the shift from analog to digital, driven by increasing demand for small-lot printing of many products, the digital printing equipment market continues to grow at a rate of around 5%.

In the first quarter, we increased sales of the imagePRESS V-series of cut-sheet machines, noted for their high productivity, which helped us win large business deals. We have also begun supplying products to Heidelberg, a leading manufacturer of offset printing presses with which we announced a partnership last year, and sales are set to increase from the second quarter.

Additionally, by expanding product options that improve productivity and broaden the range of media that can be handled, we plan to further enhance the competitiveness of our products and increase sales.

In order to capture a wider range of demand for digital commercial and industrial printing presses, which will continue to grow in the future, we will continue to launch new products into areas that we have not previously covered, such as the compact "varioPRINT iX1700," for small- and medium-sized printing companies, the "varioPRESS iV7," which supports paper up to B2 size, and the "LabelStream LS2000," which allows us to make a full-scale entry into label printing for food and daily necessities.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

		1Q			Full Year				
		2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Production		99.9	99.0	+0.9%	448.4	441.5	+1.6%	457.7	-9.3
Office	Office MFDs	149.2	156.3	-4.6%	637.6	647.0	-1.5%	650.1	-12.5
	Others	110.9	98.3	+12.9%	431.5	408.1	+5.7%	433.6	-2.1
		260.1	254.6	+2.2%	1,069.1	1,055.1	+1.3%	1,083.7	-14.6
Prosumer	LPs	168.0	145.4	+15.5%	660.0	679.6	-2.9%	664.3	-4.3
	IJPs	83.0	81.3	+2.2%	345.6	346.5	-0.3%	352.3	-6.7
		251.0	226.7	+10.7%	1,005.6	1,026.1	-2.0%	1,016.6	-11.0
Net Sales		611.0	580.3	+5.3%	2,523.1	2,522.7	+0.0%	2,558.0	-34.9
Op. Profit		73.1	65.5	+11.5%	314.7	289.9	+8.6%	323.6	-8.9
%		12.0%	11.3%		12.5%	11.5%		12.7%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Production	-0.1%	+5.2%
Office	+1.6%	+3.7%
Prosumer	+9.7%	+0.9%
Total	+4.5%	+2.8%

Unit Growth Rate Y/Y

	2025	
	1Q	Full Year Projection
Office MFDs	-5%	+5%
LPs	+17%	-5%
IJPs	+13%	+4%

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Office MFDs

As for office MFDs, demand is solid as they are core printing devices that are highly productive in offices. As a result, we expect the market in 2025 to be around the same size as last year.

Although it is only the first quarter, we have received many orders, and we expect sales to grow from the second quarter onwards as installations progress. Furthermore, by rolling out a new series that incorporates new technology and improves basic performance such as image quality and power saving, as well as serviceability, we will expand our market share and increase full-year sales by 5% compared to last year.

Office Others

As for our IT solutions business, there continues to be strong demand for DX, particularly in Japan, and with the contributions of Primagest, a company which joined the Canon Marketing Japan Group in March last year, we are planning for annual sales growth of 5.7%.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

		1Q			Full Year				
		2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Production		99.9	99.0	+0.9%	448.4	441.5	+1.6%	457.7	-9.3
Office	Office MFDs	149.2	156.3	-4.6%	637.6	647.0	-1.5%	650.1	-12.5
	Others	110.9	98.3	+12.9%	431.5	408.1	+5.7%	433.6	-2.1
		260.1	254.6	+2.2%	1,069.1	1,055.1	+1.3%	1,083.7	-14.6
Prosumer	LPs	168.0	145.4	+15.5%	660.0	679.6	-2.9%	664.3	-4.3
	IJPs	83.0	81.3	+2.2%	345.6	346.5	-0.3%	352.3	-6.7
		251.0	226.7	+10.7%	1,005.6	1,026.1	-2.0%	1,016.6	-11.0
Net Sales		611.0	580.3	+5.3%	2,523.1	2,522.7	+0.0%	2,558.0	-34.9
Op. Profit		73.1	65.5	+11.5%	314.7	289.9	+8.6%	323.6	-8.9
%		12.0%	11.3%		12.5%	11.5%		12.7%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Production	-0.1%	+5.2%
Office	+1.6%	+3.7%
Prosumer	+9.7%	+0.9%
Total	+4.5%	+2.8%

Unit Growth Rate Y/Y

	2025	
	1Q	Full Year Projection
Office MFDs	-5%	+5%
LPs	+17%	-5%
IJPs	+13%	+4%

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Prosumer

The printer market continues to be sluggish in China and Europe and is expected to shrink by 2 to 3% this year.

As for laser printers, sales have remained stable since the second quarter of last year, when shipment adjustments were completed. As a result, first-quarter sales increased by 15.5% compared to the same period of last year. Going forward as well, we will ensure profitability by focusing on sales of medium- to high-speed color models in countries and regions and to users where we can expect high print volumes.

As for inkjet printers in the first quarter, unit sales of the refillable ink tank models, for which we completed our lineup last year, increased by 20%, largely thanks to emerging markets, which lead to a significant increase in hardware sales compared to the same period of last year. From the second quarter onwards, we will continue to make effective promotional investments while expanding sales of refillable ink tank models, aiming to exceed full year sales compared to last year.

Printing Hardware & Non-hardware Sales



Net Sales Growth Rate of Printing Hardware & Non-hardware

			FY 2025		FY 2024	
			1Q Actual	Full Year Current Projection	1Q Actual	Full Year Actual
Production	JPY	Hardware	+1%	+5%	+13%	+11%
		Non-hardware	+1%	0%	+14%	+9%
	LC	Hardware	0%	+9%	+1%	+4%
		Non-hardware	0%	+3%	+3%	+2%
Office MFDs	JPY	Hardware	-4%	+1%	+4%	+1%
		Non-hardware	-5%	-3%	+14%	+7%
	LC	Hardware	-5%	+4%	-6%	-5%
		Non-hardware	-5%	-1%	+5%	+1%
LPs	JPY	Hardware	+17%	-5%	-15%	+17%
		Non-hardware	+15%	-1%	+4%	+9%
	LC	Hardware	+16%	-2%	-23%	+11%
		Non-hardware	+13%	+1%	-4%	+5%
IJPs	JPY	Hardware	+10%	+4%	-14%	-2%
		Non-hardware	-3%	-4%	-1%	0%
	LC	Hardware	+9%	+8%	-22%	-8%
		Non-hardware	-4%	-1%	-10%	-6%

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	1Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Net Sales	137.3	134.2	+2.3%	580.9	568.8	+2.1%	590.0	-9.1
Op. Profit	6.7	5.6	+20.2%	37.7	24.7	+52.9%	39.5	-1.8
%	4.9%	4.2%		6.5%	4.3%		6.7%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Total	+2.3%	+5.3%

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Medical

In the first quarter of 2025, by expanding sales in line with our plan in Asia, South America, and other emerging markets, overall sales were up around 2%. As for profit, in addition to increased sales, we started to see some results from the business innovation activities that we have been working on since last year. As a result, the operating profit ratio of this business unit improved by 0.7 points compared to last year to 4.9%.

From the second quarter onward, by establishing local subsidiaries, we aim to grow sales in the Middle East, India and other emerging markets where large-scale business deals, including government-affiliated ones, are increasing. At the same time, we also expect high growth in the United States, where we are working to increase our sales staff and strengthen our relationships with medical institutions.

In addition to the increase in sales, the effects of business innovation activities, such as reviewing the operation of our service and maintenance business and reorganizing loss-making businesses and companies, we expect the benefits of business innovation activities to increase with each quarter and exceed 10 billion yen for the year, with the operating profit ratio expected to rise to 6.5%.

As a new product that creates new clinical value, we launched a multi-position CT that can be used in a standing or sitting position, in addition to the usual lying position. This product, which can take images in the most appropriate position for the part to be diagnosed and symptoms, enables early detection of diseases and dysfunctions that could not be detected by supine imaging.

In addition, Canon plans to launch the next-generation CT, photon counting CT, this year, and will increase its presence in the market by launching numerous innovative products.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	1Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Cameras	118.1	102.3	+15.5%	612.6	579.9	+5.6%	627.3	-14.7
Network Cameras & Others	94.0	73.2	+28.3%	398.9	357.5	+11.6%	409.4	-10.5
Net Sales	212.1	175.5	+20.8%	1,011.5	937.4	+7.9%	1,036.7	-25.2
Op. Profit	31.2	14.3	+118.9%	160.6	151.3	+6.1%	169.2	-8.6
%	14.7%	8.1%		15.9%	16.1%		16.3%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Cameras	+14.4%	+9.7%
NWCs & Others	+26.6%	+15.7%
Total	+19.4%	+12.0%

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

	2025	
	1Q	Full Year Projection
Units (Millions)	0.53	3.00
Growth Rate	+6%	+6%

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Cameras

As for the interchangeable-lens camera market, in addition to sales promotion that started last year, among the younger generation, for whom smartphones are the norm, there is a growing need for cameras that allow them to enjoy taking photos and videos that are different from others.

As a result, the market is expected to grow to around 6.6 million units in 2025.

In the first quarter, in addition to increasing sales of full-frame cameras, especially the EOS R5 Mark II that was launched in the second half of last year, strong demand for entry-class cameras, which are popular among young people as a step up from smartphones, resulted in a significant increase in sales of 15.5%.

In the second quarter, we will launch two new models of our EOS/PowerShot V series, a new video-focused series that goes beyond the boundaries of EOS/PowerShot cameras. The "EOS R50 V," a mirrorless camera for video creators that can be used in combination with RF lenses to enjoy a wide range of video expression, and the "PowerShot V1," an integrated lens camera that makes video shooting and distribution easier, will be introduced. We will increase sales by cultivating new camera users who primarily use video shooting, such as social media users and video creators.

As we are still unable to supply compact cameras in line with increasing demand, we will increase production to expand sales to facilitate our aim of expanding total cameras sales by 5.6% for the full year.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	1Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Cameras	118.1	102.3	+15.5%	612.6	579.9	+5.6%	627.3	-14.7
Network Cameras & Others	94.0	73.2	+28.3%	398.9	357.5	+11.6%	409.4	-10.5
Net Sales	212.1	175.5	+20.8%	1,011.5	937.4	+7.9%	1,036.7	-25.2
Op. Profit	31.2	14.3	+118.9%	160.6	151.3	+6.1%	169.2	-8.6
%	14.7%	8.1%		15.9%	16.1%		16.3%	

Net Sales Growth Rate Y/Y (Local Currency)

	2025	
	1Q	Full Year Projection
Cameras	+14.4%	+9.7%
NWCs & Others	+26.6%	+15.7%
Total	+19.4%	+12.0%

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

	2025	
	1Q	Full Year Projection
Units (Millions)	0.53	3.00
Growth Rate	+6%	+6%

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Network Cameras

In addition to demand for surveillance applications remaining at a high level, opportunities to use network cameras for video DX are expanding. As a result, the market is expected to continue growing in 2025.

First quarter sales grew steadily in Europe, the United States, and Asia, resulting in a significant 28.3% increase in sales compared to last year, when our partners adjusted their inventories.

From the second quarter as well, we expect sales to remain steady, especially for surveillance applications. We will also strengthen our development capabilities and work closely with technology and sales partners to promote total solutions in fields such as marketing, medical and nursing care, aiming for double-digit growth that exceeds the market.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	1Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Optical Equipment	50.5	47.0	+7.4%	289.5	253.4	+14.3%	305.5	-16.0
Industrial Equipment	17.0	20.4	-16.7%	112.6	98.3	+14.5%	113.0	-0.4
Net Sales	67.5	67.4	+0.1%	402.1	351.7	+14.3%	418.5	-16.4
Op. Profit	8.4	12.1	-30.5%	70.5	68.9	+2.3%	76.3	-5.8
%	12.4%	17.9%		17.5%	19.6%		18.2%	

* 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.

Net Sales Growth Rate Y/Y
(Local Currency)

	2025	
	1Q	Full Year Projection
Opt. Equip.	+7.9%	+14.7%
Industrial Equip.	-16.6%	+15.4%
Total	+0.5%	+14.9%

Lithography Equipment (Units)

		2025	
		1Q	Full Year Projection
Semiconductor	KrF	10	57
	i-line	46	232
		56	289
FPD		5	32

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Optical Equipment
Semiconductor lithography equipment

As for the semiconductor device market in 2025, although growth in memory devices for PCs and smartphones is below expectations, memory and logic devices for generative AI and data center continues to grow. As a result, we expect the overall market to be larger than last year. Although there are, some customers showing a tendency to push out their investment for semiconductor lithography equipment due to the slow recovery of memory devices, we expect the market size to be at a high level, like last year.

In the first quarter, we sold 56 units, an increase of 7 units compared to the same period of last year, due to strong demand for GPUs used in generative AI, and strong growth in our back-end processing equipment, which has become the industry standard in advanced packaging. As for the full year, although investment in memory devices will be affected by the postponement of investments, investment in equipment for the back-end process remains strong, therefore we plan to increase the number of units by 56 compared to last year to 289.

As for nanoimprint, our next generation semiconductor manufacturing system, in the first quarter, we shipped equipment for evaluation to a major semiconductor manufacturer. We are making steady progress in joint evaluation and verification with semiconductor manufacturers for mass production applications and are aiming for early sales.

Net Sales & Net Sales Growth Rate Y/Y

(Billions of yen)

	1Q			Full Year				
	2025 Actual	2024 Actual	% Change	2025 Current Projection	2024 Actual	% Change	2025 Previous Projection	Amount Change
Optical Equipment	50.5	47.0	+7.4%	289.5	253.4	+14.3%	305.5	-16.0
Industrial Equipment	17.0	20.4	-16.7%	112.6	98.3	+14.5%	113.0	-0.4
Net Sales	67.5	67.4	+0.1%	402.1	351.7	+14.3%	418.5	-16.4
Op. Profit	8.4	12.1	-30.5%	70.5	68.9	+2.3%	76.3	-5.8
%	12.4%	17.9%		17.5%	19.6%		18.2%	

* 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.

Net Sales Growth Rate Y/Y
(Local Currency)

	2025	
	1Q	Full Year Projection
Opt. Equip.	+7.9%	+14.7%
Industrial Equip.	-16.6%	+15.4%
Total	+0.5%	+14.9%

Lithography Equipment (Units)

		2025	
		1Q	Full Year Projection
Semiconductor	KrF	10	57
	i-line	46	232
		56	289
FPD		5	32

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Optical Equipment

FPD (Flat Panel Display) lithography equipment

As for display manufacturing equipment, thanks to improvements in the balance between panel supply and demand and the profitability of panel manufacturers, investment is gradually recovering.

As for our FPD lithography equipment, in the first quarter, we made smooth progress in equipment installations. As a result, we increased our sales by 4 units to 5. This year, in addition to equipment for IT panels, we have won many additional investment projects for lithography equipment for smartphones as their functionality increases, and by further expanding unit sales from the second quarter onward, we expect to sell 32 units for the full year.

Industrial Equipment

In the OELD display manufacturing equipment business, we will increase sales from the second quarter by promoting the production of system No. 2 (large-size system for IT panels), which was ordered in the fourth quarter of 2024. As for the semiconductor manufacturing equipment handled by Canon Anelva and Canon Machinery, we also plan to increase sales by capturing the growing demand for semiconductors, and aim for a 14.5% increase in sales for industrial equipment overall.