


CANON ELECTRONICS INC.
SEMI-ANNUAL REPORT 2009(Unaudited)
CONSOLIDATED FINANCIAL HIGHLIGHTS

	Millions of yen (except per share amounts)		Thousands of U.S. dollars (except per share amounts)	
	2009	2008	2009	2008
	¥	¥	\$	\$
Net sales				
Component	19,926	36,341	207,566	378,550
Electronic Information Appliance and others.	20,292	23,741	211,381	247,304
Total	40,218	60,082	418,947	625,854
Net Income	1,273	4,429	13,269	46,135
Net income per common share				
assuming no dilution	31.17	107.99	0.32	1.12
assuming full dilution	-	107.97	-	1.12

	Millions of yen		Thousands of U.S. dollars	
	2009	2008	2009	2008
	¥	¥	\$	\$
Total assets	74,533	77,445	776,390	806,713
Net assets	52,849	52,488	550,517	546,753

CONSOLIDATED STATEMENTS OF INCOME

	Millions of yen		Thousands of U.S. dollars	
	2009	2008	2009	2008
	¥	¥	\$	\$
Net sales	40,218	60,082	418,947	625,854
Cost of sales	32,571	47,029	339,283	489,890
Gross profit	7,647	13,053	79,664	135,964
Selling, general and administrative expenses	5,757	5,390	59,977	56,145
Operating profit	1,889	7,663	19,686	79,818
Other income				
Interest and dividends	9	31	95	320
Foreign exchange gains	339	-	3,538	-
Equity in earnings of affiliates	-	7	-	67
Gain on sales of investment securities	-	35	-	364
Reversal of allowance for doubtful accounts	11	-	118	-
Reversal of provision for retirement benefits	22	-	235	-
Other	86	211	903	2,199
	469	283	4,891	2,953
Other expenses				
Interest	1	3	16	35
Loss on valuation or abandonment of inventories	-	73	-	756
Foreign exchange losses	-	228	-	2,378
Loss on investments in partnership	96	-	1,005	-
Loss on disposal of property and equipment	22	30	232	317
Loss on valuation of investment securities	49	76	516	790
Provision for long service benefits for prior periods	-	39	-	405
Other	8	130	85	1,356
	178	580	1,856	6,039
Income before income taxes and minority interests	2,181	7,366	22,721	76,732
Income taxes	1,019	3,071	10,618	31,996
Minority interests	(112)	(134)	(1,166)	(1,399)
Net income	¥ 1,273	¥ 4,429	\$ 13,269	\$ 46,135

Notes: U.S. Dollar amounts are translated from yen at the rate of ¥96=U.S.1, the approximate exchange rate on the Tokyo Foreign Exchange Market as of June 30, 2009.

CONSOLIDATED STATEMENTS OF CASH FLOW

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	Millions of yen		Thousands of U.S. dollars	
	2009	2008	2009	2008
Net income	¥ 1,273	¥ 4,429	\$ 13,269	\$ 46,135
Adjustment to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	2,906	2,836	30,279	29,538
Amortization of goodwill	264	179	2,751	1,866
Increase(decrease)in reserve for employees' retirement benefits	(54)	(303)	(565)	(3,151)
Loss (gain) on disposal of property and equipment	22	30	232	317
Loss (gain) on sales of investments in securities	(1)	(35)	(15)	(364)
Decrease (increase) in trade receivables	927	885	9,665	9,222
Decrease (increase) in inventories	(314)	(742)	(3,274)	(7,732)
Increase (decrease) in trade payables	(4,842)	2,533	(50,443)	26,382
Other, net	183	(476)	1,909	(4,964)
Net cash provided by operating activities	365	9,336	3,809	97,249
Cash flows from investing activities				
Payment for purchase of property , plant and equipment	(4,073)	(7,330)	(42,436)	(76,351)
Payments for purchases of investments in securities	0	(267)	(7)	(2,778)
Proceeds from sales of investments in securities	4	70	48	729
Acquisitions of subsidiaries, net of cash acquired	(412)	(209)	(4,299)	(2,172)
Other,net	84	(105)	875	(1,098)
Net cash used in investing activities	(4,398)	(7,841)	(45,819)	(81,671)
Cash flows from financing activities				
Dividends paid	(1,230)	(1,330)	(12,814)	(13,852)
Purchase of treasury stock	-	(1,153)	-	(12,015)
Other,net	(0)	(125)	(3)	(1,303)
Net cash used in financing activities	(1,230)	(2,608)	(12,817)	(27,170)
Effect of exchange rate changes on cash and cash equivalents	(317)	52	(3,310)	548
Net change in cash and cash equivalents	(5,581)	(1,061)	(58,137)	(11,044)
Cash and cash equivalents at beginning of year	16,109	19,559	167,808	203,736
Cash and cash equivalents at end of year	10,528	18,498	109,670	192,692

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