

### FORM 6-K

SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

6/30/02

Report of Foreign Issuer Pursuant to Rule 13a-16 or 15d-16 of the Securities Exchange Act of 1934

For the month ofJune 30 , 2002	
CANON INC.	•
(Translation of registrant's name into English)	
30-2, Shimomaruko 3-Chome, Ohta-ku, Tokyo 146-8501, Japan (Address of principal executive offices)	
[Indicate by check mark whether the registrant files or will file annual reports undecover Form 20-F or Form 40-F.	ET
Form 20-FForm 40-F	
[Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.  Yes	PROCESSED SEP 1 2 2002 THOMSON FINANCIAL
[If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):82	

### **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

> CANON INC. (Registrant) (Signature)\*

Hiroyuki Yoshida Manager, Finance Department Canon Inc.

The following material is included.

1. Interim report for the 102<sup>nd</sup> business term

<sup>\*</sup>Print the name and title of the signing officer under his signature.



Interim Report For The 102nd Business Term From January 1, 2002 to June 30, 2002

CANON INC.

### To 'Our 'Shareholders

It is a great pleasure to present our interim report for the first half of the 102nd business term, from January 1, 2002, through June 30, 2002.

Looking back at domestic and overseas economies during this half-term, the U.S. economy showed a basic tone of recovery due to increased personal consumption, while European and Asian economies also demonstrated a gradual recovery of business with support from an improved export environment and other factors. Apprehensions about the U.S. economy persist, however, and business conditions overseas showed no signs of a full-fledged recovery during the half-term concerned. On the other hand, although Japan's economy bottomed out due to the pull of increased exports, investments in plants and equipment as well as personal consumption were sluggish, resulting in the continuation of harsh conditions. In the foreign exchange market, the yen depreciated versus European currencies and the U.S. dollar when compared with the same period of the previous year but had appreciated by the end of this half term due to the sudden depreciation of the U.S. dollar caused by the troubled U.S. economy.

In markets relevant to Canon, growth continued in those related to digital products, such as digital cameras and digital copying machines. Meanwhile, sales in the market for semiconductor production equipment remained low due to the slowdown in the semiconductor market, but the volume of orders from overseas showed signs of improvement.

Under such circumstances, Canon entered the second year of "Phase II of the Excellent Global Corporation Plan (2001 to 2005)." Based on this plan, for the second consecutive year, Canon continued to advance operational reforms in all divisions from development and production to head office administration, with a focus on encouraging higher productivity, and also engaged in developing and strengthening common basic technologies to back up product development. In addition, Canon further upgraded

production structures in Japan and abroad, such as the new factory in Suzhou Province, China. Regarding sales, with an array of products possessing high appeal to customers, every member company of the Canon group endeavored to carry out vigorous marketing activities.

As a result, during this first half of the 102nd business term, although we increased the sales of digital products during this period, our overall product sales were affected by sluggish markets in Japan and abroad, resulting in total sales of 808.3 billion yen (a 10.6% decrease versus the same period last year) and ordinary profit of 93.6 billion yen (a 27.9% decrease versus the same period last year). Net income totaled 58.4 billion yen, a 124.0% increase versus the same period last year during which time a one-time amortization of unrecognized net pension obligation occurred.

The interim dividend for the first half of the 102nd business term amounts to 12.50 yen per share, representing a 2-yen increase versus that of the same period last year. The dividends will be paid to the shareholders on and after August 28, 2002.

Regarding the outlook for the second half of the 102nd business term, because the course of the recovery of the global economy still includes reasons for concern, conditions in the management environment are thought to remain unpredictable. Within this situation, we intend to make every effort to improve our business performance by further improving product appeal and sales power and lowering costs even more.

We hope that you will continue to extend even greater support and encouragement in the months ahead.

August, 2002

FUJIO MITARAI President & CEO THE THE PARTY OF T

### BUSINESS REPORT BY OPERATIONS

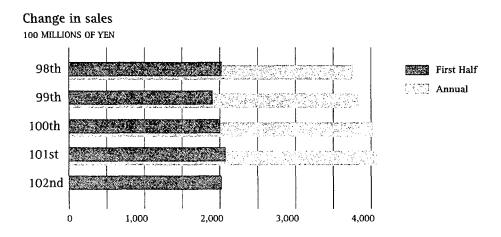
The products mentioned below may have different names in other areas.

### **Business Machines Operations**

#### **Copying Machines**

While demand dropped within the overall market for copying machines, our monochrome digital copying machines—led by the digital multifunctional "iR2200," "iR2800," and "iR3300" models and the "iR5000" and "iR6000" models—have continued to post favorable sales since the previous business term. Moreover, the digital multifunctional "iR2200i," "iR2800i," and "iR3300i" models, equipped with intelligent functions for high productivity as office systems, have also won positive acclaim since their release. Regarding color copying machines, we also worked to strengthen and enhance our product lineup by releasing such products as the "CP2125" and "CP2155," which feature improved output speed during monochrome printing; sales were sluggish, however, due to intensifying competition in the market.

As a result, sales in this category totaled 202.0 billion yen (a 2.3% decrease versus the same period last year).

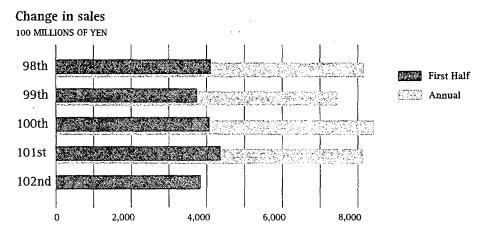


#### **Computer Peripherals**

A severe situation prevailed in the field of computer peripherals, caused by the slump in information technology markets overseas and other factors. Within these conditions, we endeavored to increase sales of our laser beam printers by releasing the "LBP-2710" and "LBP-2810," which are equipped with the newly-developed Vertical In-Line 4 Engine and can print at the same fast speeds for either monochrome or color prints. In the field of Bubble Jet printers, moreover, we increased sales of products equipped with the Precision Color Distribution System, which enables them to achieve both fast speeds and high image quality. Among our Bubble Jet printers, the "BJ S500" and "BJ S530" gained a particularly high share of the Japanese market. In addition, we released the "BJ

895PD" and "BJ 535PD" with the aim of improving our line of models capable of directly printing images from a digital camera. As for scanner products, while the global market continued to shrink, we engaged in sales promotion activities with a focus on such products as the "CanoScan N1240U," but sales decreased.

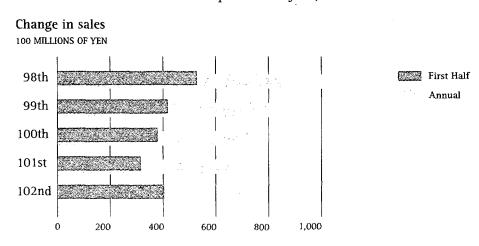
As a result, sales in this category totaled 382.6 billion yen (a 12.8% decrease versus the same period last year).



#### **Business Systems**

In the field of facsimile machines, amidst a shift in demand from single-function facsimile machines to multifunctional products, we strove to increase sales of multifunctional all-in-one machines both in Japan and abroad. Sales particularly increased for the "PC1250" and "MultiPASS C70," both flatbed products with high added value. Regarding products for home use, we released the "Faxphone CF-VL10" which comes with a large-format liquid-crystal color display, and made efforts to cultivate new demand.

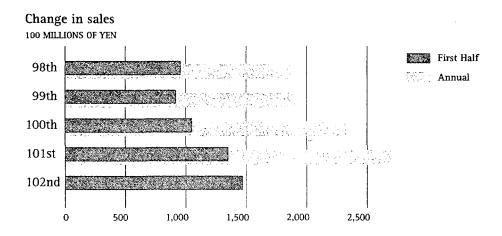
Due to these activities, sales in this category totaled 40.4 billion yen (a 28.3% increase versus the same period last year).



### Camera Operations

As the market for digital cameras expanded both in Japan and abroad, we released two new models in the ultra-compact "IXY DIGITAL Series" and four new models in the "PowerShot Series," and were able to increase sales thanks to favorable acclaim for their compact size, high performance, and ease of use. Moreover, we released the "Card Photo Printer CP-100," with the aim of enhancing our line of products compatible with the "Direct Print System" that permits enjoyment of ultrahigh quality prints via direct connection to a digital camera. In the field of digital single-lens reflex cameras, we released the "EOS D60," which comes mounted with a newly-developed large-format CMOS sensor and can be used with EF lenses, thereby enhancing our portfolio of camera products. As for silver-halide cameras, we newly released the "AutoBoy 155" and "IXY i" and strove to increase their sales, but silver-halide camera sales dropped due to the decline in demand. In the field of digital video cameras, on the other hand, we were able to increase both our market share and sales by strengthening our product lineup as a result of such factors as the release of the ultra-compact "IXY DV3" and the "Torebian FV30 KIT," both which earned favorable acclaim for their high image quality and ease of use.

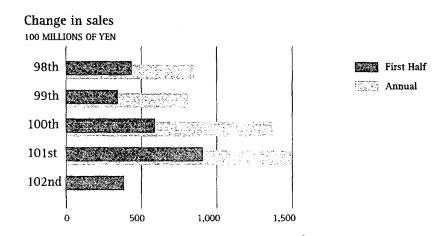
Consequently, sales in this category totaled 146.8 billion yen (a 8.6% increase versus the same period last year).



## Optical and Other Products Operations

At a time when the market for semiconductor production equipment was being strongly affected by declining demand caused by the sluggish market for semiconductor chips, we began shipping new products such as the high-resolution KrF scanning stepper "FPA5000 ES4," but sales unavoidably dropped by a large margin. Regarding mirror projection mask aligners for LCD (Liquid-Crystal Display) panels, on the other hand, sales of the new MPA-7500 that can handle large plate (1,100 x1,250 mm) and other products increased against the backdrop of the increased demand for LCD TVs and monitors. In the market for broadcasting equipment, we endeavored to increase sales of various broadcasting lenses, such as the "J17a x 7.7B" handy zoom lens. As for medical equipment, we worked to promote sales of ophthalmic diagnostic equipment, including the "CR-DG10" non-mydriatic retinal camera for digital imaging.

As a result, sales in this category totaled 36.4 billion yen (a 60.1% decrease versus the same period last year).



# NONCONSOLIDATED FINANCIAL STATEMENTS

### **Balance Sheets**

ASSETS	<u> </u>	Millions of yen
	As of June 30 2002	As of Dec. 31 2001
Current Assets	838,357	789,635
Cash and deposits	70,017	121,061
Notes receivable	156,319	281,732
Accounts receivable	309,301	104,208
Marketable securities	395	103
Finished goods	- 70,587	86,042
Work in process	95,704	81,505
Raw materials and supplies	3,590	3,964
Deferred tax assets	16,907	19,148
Short-term loans receivable	33,779	28,546
Other current assets	91,931	73,125
Allowance for doubtful receivables	(10,176)	(9,803)
Fixed Assets	901,534	868,431
Property, Plant and Equipment	445,861	420,368
Buildings	225,959	186,403
Machinery	79,493	77,326
Vehicles	218	242
Tools and equipment	45,046	44,175
Land	80,462	68,504
Construction in progress	14,680	43,716
Intangibles	33,060	39,105
Industrial property rights	122	115
Facility utility rights		532
Software	32,426	38,458
Investments	422,611	408,956
Marketable securities-noncurrent	35,214	32,749
Investment in subsidiaries	281,604	274,517
Long-term loans receivable	818	729
Employee long-term loans	95	133
Long-term pre-paid expenses	11,210	10,476
Deferred tax assets-noncurrent	85,436	82,384
Guarantees	3,396	3,508
Other noncurrent assets	4,852	4,477
Allowance for doubtful receivables-noncurrent	(16)	(20)
TOTAL ASSETS	1,739,891	1,658,066
Notes:		<del></del>
Current receivable from subsidiaries		66 million yen
Noncurrent receivable from subsidiaries		00 million yen
Current payable to subsidiaries		2 million yen
2. Accumulated depreciation of property, plant and equipment	567,33	7 million yen
3. Contingent liabilities Guarantees	71 21	0 million yen
Letter of awareness and others		66 million yen
4. Earnings per share (based on the average number of shares or		66.71 yen
5. From this interim period stockholders' equity is classified and		
stock, capital surplus, retained earnings, net unrealized gains (		

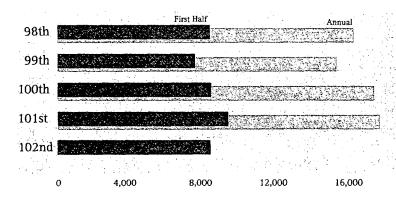
stock.

Current Liabilities	Current Liabilities	Current Liabilities 405,869 372,904 Notes payable 29,259 39,531 Accounts payable 241,926 203,394 Short-term loans 43,173 6,306 Straight bonds due within 1 year 20,000 20,000 Other payable 9,379 8,336 Accrued expenses 7,209 20,776 Accrued income taxes 30,922 50,397 Deposits 7,416 5,882 Accrued bonuses for employees 4,838 4,562 Other current liabilities 1,743 13,716 Noncurrent Liabilities 1,743 13,716 Noncurrent Liabilities 1,743 13,716 Noncurrent Liabilities 1,743 13,716 Noncurrent Liabilities 5,2 5 Accrued pension and severance cost 152,419 147,768 TOTAL LIABLITIES 576,507 539,622 Common Stock 165,651 165,287 Capital Surplus 297,189 296,370 Retained Earnings 499,541 653,898 Legal reserve 22,114 22,114 Reserve for special depreciation 3,753 2,908 Reserve for deferral of capital gain on property 59,633 19,229 [including current net income 58,478 39,163] Net Unrealized Gains (Losses) on Securities 2,205 3,163 Freasury Stock 1,1203 (276)	Current Liabilities	2002   2001
Notes payable	Notes payable	Notes payable	Notes payable	Notes payable       29,259       39,53         Accounts payable       241,926       203,39         Short-term loans       43,173       6,30         Straight bonds due within 1 year       20,000       20,000         Other payable       9,379       8,33         Accrued expenses       17,209       20,77         Accrued income taxes       30,922       50,39         Deposits       7,416       5,86         Accrued bonuses for employees       4,838       4,56         Other current liabilities       1,743       13,71         Ioncurrent Liabilities       170,638       166,71         Convertible debenture       18,217       18,94         Long-term debts       2       2         Accrued pension and severance cost       152,419       147,76         TOTAL LIABLITIES       576,507       539,62         Common Stock       165,651       165,28         Capital Surplus       297,189       296,33
Accounts payable Short-term loans Short-term loans Straight bonds due within 1 year 20,000 Other payable Accrued expenses Accrued income taxes Deposits Accrued bonuses for employees Other current liabilities Tother debenture Long-term debts Accrued pension and severance cost TOTAL LIABLITIES  Common Stock  Capital Surplus Additional paid-in capital Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings Lied Liabses Line Stock  Capital Surplus Additional paid-in capital gain on property Special reserves Unappropriated retained earnings Line Unrealized Gains (Losses) on Securities  TOTAL STOCKHOLDERS' EQUITY  Liablity 2003,394 433,173 6,306 20,300 20,000	Accounts payable Short-term loans Straight bonds due within 1 year Other payable Accrued expenses Accrued income taxes Deposits Accrued bonuses for employees Other current liabilities Convertible debenture Long-term debts Accrued pension and severance cost TOTAL LIABLITIES  Common Stock Capital Surplus Additional paid-in capital Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings Including current net income Liabilized Gains (Losses) on Securities Itiation Convertible Quantity Itiation	Accounts payable Short-term loans 43,173 6,306 Straight bonds due within 1 year 20,000 20,000 Other payable 9,379 8,336 Accrued expenses 17,209 20,776 Accrued income taxes 30,922 50,397 Peposits 7,416 5,882 Accrued bonuses for employees 4,838 4,562 Other current liabilities 1,743 13,716 Noncurrent Liabilities 1,743 13,716 Convertible debenture 18,217 18,945 Long-term debts 2 5 5 Accrued pension and severance cost 152,419 147,768 TOTAL LIABLITIES 576,507 539,622 Common Stock 165,651 165,287 Additional paid-in capital 297,189 296,370 Retained Earnings 699,541 653,898 Legal reserve Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves 604,028 589,528 Unappropriated retained earnings 69,633 39,329 [including current net income 58,478 39,163] Net Unrealized Gains (Losses) on Securities 7,163,384 1,118,443 1,118,443	Accounts payable Short-term loans Straight bonds due within 1 year Other payable Short-term loans Straight bonds due within 1 year 20,000 Other payable Accrued expenses Accrued income taxes Deposits Accrued bonuses for employees Other current liabilities Tothal Liabilities Convertible debenture Long-term debts Accrued pension and severance cost TOTAL LIABLITIES  Common Stock Capital Surplus Additional paid-in capital Legal reserve Reserve for special depreciation Reserve for special depreciation Reserves for deferral of capital gain on property Special reserves Unappropriated retained earnings Lincluding current net income Littles (1,203) Let Unrealized Gains (Losses) on Securities Crown Stock Littles (1,203) Littles (1,204)	Accounts payable 241,926 203,33 6,30 Short-term loans 43,173 6,30 Straight bonds due within 1 year 20,000 20,00 Other payable 9,379 8,33 Accrued expenses 77,209 20,77 Accrued income taxes 30,922 50,39 Deposits 7,416 5,88 Accrued bonuses for employees 4,838 4,56 Other current liabilities 1,743 13,71 loncurrent Liabilities 1,743 13,71 Long-term debts 2 Accrued pension and severance cost 152,419 147,76 london Stock 165,651 165,28 london Stock 297,189 296,33 longon stock 297,18
Short-term loans	Short-term loans	Short-term loans	Short-term loans	Short-term loans       43,173       6,30         Straight bonds due within 1 year       20,000       20,000         Other payable       9,379       8,33         Accrued expenses       17,209       20,77         Accrued income taxes       30,922       50,39         Deposits       7,416       5,88         Accrued bonuses for employees       4,838       4,56         Other current liabilities       1,743       13,71         Ioncurrent Liabilities       170,638       166,71         Convertible debenture       18,217       18,94         Long-term debts       2       2         Accrued pension and severance cost       152,419       147,76         TOTAL LIABLITIES       576,507       539,62         Common Stock       165,651       165,28         Capital Surplus       297,189       296,33
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Other payable         9,379         8,336           Accrued expenses         17,209         20,776           Accrued income taxes         30,922         50,397           Deposits         7,416         5,882           Accrued bonuses for employees         4,838         4,562           Other current liabilities         1,743         13,716           Noncurrent Liabilities         170,638         166,718           Convertible debenture         18,217         18,945           Long-term debts         2         5           Accrued pension and severance cost         152,419         147,768           TOTAL LIABLITIES         576,507         539,622           Common Stock         165,651         165,287           Capital Surplus         297,189         296,370           Additional paid-in capital         297,189         296,370           Retained Earnings         699,541         653,898           Legal reserve         22,114         22,114           Reserve for deferral of capital gain on property         13         18           Special reserves         604,028         589,528           Unappropriated retained earnings         69,633         39,329           [including current	Other payable         9,379         8,336           Accrued expenses         17,209         20,776           Accrued income taxes         30,922         50,397           Deposits         7,416         5,882           Accrued bonuses for employees         4,838         4,562           Other current liabilities         1,743         13,716           Noncurrent Liabilities         170,638         166,718           Convertible debenture         18,217         18,945           Long-term debts         2         5           Accrued pension and severance cost         152,419         147,768           TOTAL LIABLITIES         576,507         539,622           Common Stock         165,651         165,287           Capital Surplus         297,189         296,370           Additional paid-in capital         297,189         296,370           Retained Earnings         699,541         653,898           Legal reserve         22,114         22,114           Reserve for special depreciation         3,753         2,908           Reserve for deferral of capital gain on property         13         18           Special reserves         604,028         589,528           Unappropriated retain	Other payable         9,379         8,336           Accrued expenses         17,209         20,776           Accrued income taxes         30,922         50,397           Deposits         7,416         5,882           Accrued bonuses for employees         4,838         4,562           Other current liabilities         1,743         13,716           Noncurrent Liabilities         170,638         166,718           Convertible debenture         18,217         18,945           Long-term debts         2         5           Accrued pension and severance cost         152,419         147,768           TOTAL LIABLITIES         576,507         539,622           Common Stock         165,651         165,287           Capital Surplus         297,189         296,370           Retained Earnings         699,541         653,898           Legal reserve         22,114         22,114           Reserve for special depreciation         3,753         2,908           Reserve for special depreciation         3,753         2,908           Reserve for deferral of capital gain on property         13         18           Special reserves         604,028         589,528           Unappropriated reta	Other payable         9,379         8,336           Accrued expenses         17,209         20,776           Accrued income taxes         30,922         50,397           Deposits         7,416         5,882           Accrued bonuses for employees         4,838         4,562           Other current liabilities         1,743         13,716           Convertible debenture         18,217         18,945           Long-term debts         2         5           Accrued pension and severance cost         152,419         147,768           TOTAL LIABLITIES         576,507         539,622           Common Stock         165,651         165,287           Common Stock         165,651         165,287           Capital Surplus         297,189         296,370           Additional paid-in capital         297,189         296,370           Retained Earnings         699,541         653,898           Legal reserve         22,114         22,114           Reserve for special depreciation         3,753         2,908           Reserve for deferral of capital gain on property         13         18           Special reserves         604,028         589,528           Unappropriated retained earning	Other payable       9,379       8,33         Accrued expenses       17,209       20,77         Accrued income taxes       30,922       50,39         Deposits       7,416       5,88         Accrued bonuses for employees       4,838       4,56         Other current liabilities       1,743       13,71         Ioncurrent Liabilities       170,638       166,71         Convertible debenture       18,217       18,94         Long-term debts       2       2         Accrued pension and severance cost       152,419       147,76         TOTAL LIABLITIES       576,507       539,62         Common Stock       165,651       165,28         Capital Surplus       297,189       296,37
Accrued expenses	Accrued expenses	Accrued expenses	Accrued expenses	Accrued expenses 17,209 20,77 Accrued income taxes 30,922 50,39 Deposits 7,416 5,88 Accrued bonuses for employees 4,838 4,56 Other current liabilities 1,743 13,71 Ioncurrent Liabilities 170,638 166,71 Convertible debenture 18,217 18,94 Long-term debts 2 Accrued pension and severance cost 152,419 147,76 IOTAL LIABLITIES 576,507 539,62 Iommon Stock 165,651 165,28 Iapital Surplus 297,189 296,33
Accrued income taxes Deposits Deposits Accrued bonuses for employees Other current liabilities Other current liabilities  Noncurrent Liabilities Convertible debenture Long-term debts Accrued pension and severance cost Accrued pension and severance cost  TOTAL LIABLITIES  Common Stock  Capital Surplus Additional paid-in capital  Retained Earnings Legal reserve Legal reserve For deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income]  Net Unrealized Gains (Losses) on Securities  TOTAL STOCKHOLDERS' EQUITY  1,163,384  1,118,443	Accrued income taxes	Accrued income taxes Deposits Accrued bonuses for employees Other current liabilities Other Conservation Other Conservation Other Current liabilities Other Conservation Other Conservation Other Conservation Other Current liabilities Other Conservation Other Conse	Accrued income taxes	Accrued income taxes
Accrued bonuses for employees Other current liabilities 1,743   13,716  Noncurrent Liabilities Convertible debenture Long-term debts Accrued pension and severance cost 152,419   147,768  TOTAL LIABLITIES  TOTAL LIABLITIES  Common Stock 165,651   165,287  Capital Surplus Additional paid-in capital  Retained Earnings Legal reserve Reserve for special depreciation Reserve for deferral of capital gain on property Reserve for deferral of capital gain on property Including current net income  Net Unrealized Gains (Losses) on Securities  TOTAL STOCKHOLDERS' EQUITY  1,163,384   1,118,443	Accrued bonuses for employees Other current liabilities Other current liabilities  Noncurrent Liabilities Convertible debenture Long-term debts Accrued pension and severance cost  TOTAL LIABLITIES  TOTAL LIABLI	Accrued bonuses for employees Other current liabilities Other current liabilities Convertible debenture Long-term debts Accrued pension and severance cost  TOTAL LIABLITIES  Common Stock Capital Surplus Additional paid-in capital Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income] Capital Surplus Reseasury Stock  Common Stock  165,651 165,287 1653,898 1699,541 653,898 122,114 22,114 Reserve for deferral of capital gain on property Special reserves Special reserves Septial reserves Special reserves Spec	Accrued bonuses for employees Other current liabilities Other current liabilities Other current Liabilities Convertible debenture Long-term debts Accrued pension and severance cost  TOTAL LIABLITIES  Common Stock Capital Surplus Additional paid-in capital Elegal reserve Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income] Common Stock  Accrued pension and severance cost  Accrued pension and severance and severance and se	Accrued bonuses for employees 4,838 4,56 Other current liabilities 1,743 13,73 Ioncurrent Liabilities 170,638 166,73 Convertible debenture 18,217 18,94 Long-term debts 2 Accrued pension and severance cost 152,419 147,76 IOTAL LIABLITIES 576,507 539,63 Iommon Stock 165,651 165,28 Iapital Surplus 297,189 296,33
Other current liabilities       1,743       13,716         Noncurrent Liabilities       170,638       166,718         Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Other current liabilities       1,743       13,716         Noncurrent Liabilities       170,638       166,718         Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Greasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384*       1,118,443	Other current liabilities       1,743       13,716         Noncurrent Liabilities       170,638       166,718         Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Greasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Other current liabilities	Other current liabilities       1,743       13,73         Ioncurrent Liabilities       170,638       166,73         Convertible debenture       18,217       18,94         Long-term debts       2       2         Accrued pension and severance cost       152,419       147,76         TOTAL LIABLITIES       576,507       539,62         Common Stock       165,651       165,28         Capital Surplus       297,189       296,33
Noncurrent Liabilities       170,638       166,718         Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       653,898       22,114       22,114         Reserve for special depreciation       37,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Noncurrent Liabilities	Noncurrent Liabilities	Concurrent Liabilities	Indext    Inde
Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Convertible debenture	Convertible debenture	Convertible debenture	Convertible debenture
Convertible debenture       18,217       18,945         Long-term debts       2       5         Accrued pension and severance cost       152,419       147,768         TOTAL LIABLITIES       576,507       539,622         Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Convertible debenture	Convertible debenture	Convertible debenture	Convertible debenture
Accrued pension and severance cost 152,419 147,768  TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 297,189 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Treasury Stock (1,203) (276)	Accrued pension and severance cost 152,419 147,768  TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 297,189 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Treasury Stock (1,203) (276)	Accrued pension and severance cost 152,419 147,768  TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 297,189 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Greasury Stock (1,203) (276)	Accrued pension and severance cost 152,419 147,768  TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 297,189 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163  Net Unrealized Gains (Losses) on Securities 2,205 3,163  TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Accrued pension and severance cost 152,419 147,76  TOTAL LIABLITIES 576,507 539,62  Common Stock 165,651 165,28  Capital Surplus 297,189 296,32
TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 297,189 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Treasury Stock (1,203) (276)	TOTAL LIABLITIES 576,507: 539,622  Common Stock 165,651: 165,287  Capital Surplus 297,189: 296,370  Additional paid-in capital 297,189: 296,370  Retained Earnings 699,541: 653,898  Legal reserve 22,114: 22,114  Reserve for special depreciation 3,753: 2,908  Reserve for deferral of capital gain on property 13: 18  Special reserves 604,028: 589,528  Unappropriated retained earnings 69,633: 39,329  [including current net income 58,478: 39,163]  Net Unrealized Gains (Losses) on Securities 2,205: 3,163  Treasury Stock (1,203): (276)	TOTAL LIABLITIES 576,507 539,622  Common Stock 165,651 165,287  Capital Surplus 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Treasury Stock (1,203) (276)	TOTAL LIABLITIES 576,507: 539,622  Common Stock 165,651 165,287  Capital Surplus 296,370  Additional paid-in capital 297,189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163  Greasury Stock (1,203) (276  TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	TOTAL LIABLITIES 576,507 539,62  Common Stock 165,651 165,28  Capital Surplus 297,189 296,32
Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve Legal reserve for special depreciation Reserve for special depreciation Special reserves Unappropriated retained earnings Special reserves Unappropriated retained earnings Special reserves Special retained earnings Special reserves Special retained earnings Special retained earnings Special retained earnings Special retained special retained earnings Special retained special retained earnings Special retained retained special retained retained special retained retai	Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve 1 Legal reserve for special depreciation 2,114 Reserve for deferral of capital gain on property 3,13 Special reserves 4,13 Special reserves 4,13 Special reserves 5,14 Special reserves 6,14,163,384       18 Special reserves 6,14,163,384       589,528 Sp.528 S	Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings Including current net income       3,753       2,908         Unappropriated retained earnings Including current net income       604,028       589,528         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Met Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	common Stock 165,651 165,28 297,189 296,33
Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve Reserve for special depreciation Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Special reserves Special reserves Special reserves Special retained earnings Special retained earnings Special retained retained earnings Special retained earnings Special retained special r	Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve 1 Legal reserve for special depreciation 2,114 Reserve for deferral of capital gain on property 3,13 Special reserves 4,13 Special reserves 4,13 Special reserves 5,14 Special reserves 6,14,163,384       18 Special reserves 6,14,163,384       589,528 Sp.528 S	Common Stock       165,651       165,287         Capital Surplus Additional paid-in capital       297,189       296,370         Retained Earnings Legal reserve Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings Including current net income       3,753       2,908         Unappropriated retained earnings Including current net income       604,028       589,528         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Common Stock       165,651       165,287         Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Met Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	common Stock 165,651 165,28 297,189 296,33
Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Greasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Yeasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	apital Surplus 297,189 296,3
Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Greasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Capital Surplus       297,189       296,370         Additional paid-in capital       297,189       296,370         Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Yeasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	apital Surplus 297,189 296,3
Additional paid-in capital 297;189 296,370  Retained Earnings 699,541 653,898  Legal reserve 22,114 22,114  Reserve for special depreciation 3,753 2,908  Reserve for deferral of capital gain on property 13 18  Special reserves 604,028 589,528  Unappropriated retained earnings 69,633 39,329  [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Treasury Stock (1,203) (276)	Additional paid-in capital       297;189       296,370         Retained Earnings       699;541       653,898         Legal reserve       22;114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Additional paid-in capital       297;189 296,370         Retained Earnings       699,541 22,114 22,114         Legal reserve       22,114 22,114 22,114         Reserve for special depreciation       3;753 2,908         Reserve for deferral of capital gain on property       13 18         Special reserves       604,028 589,528         Unappropriated retained earnings       69,633 39,329         [including current net income       58,478 39,163         Net Unrealized Gains (Losses) on Securities       2,205 3,163         Treasury Stock       (1,203) (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384 1,118,443	Additional paid-in capital       297,189 / 296,370         Retained Earnings       699,541 / 22,114         Legal reserve       22,114 / 22,114         Reserve for special depreciation       3,753 / 2,908         Reserve for deferral of capital gain on property       13 / 18         Special reserves       604,028 / 589,528         Unappropriated retained earnings       69,633 / 39,329         [including current net income       58,478 / 39,163         Net Unrealized Gains (Losses) on Securities       2,205 / 3,163         Teasury Stock       (1,203) / (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384 / 1,118,443	
Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Retained Earnings       699,541       653,898         Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	
Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Net Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276)         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Legal reserve       22,114       22,114         Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Jet Unrealized Gains (Losses) on Securities       2,205       3,163         Tereasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	Additional paid-in capital 296,37
Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Treasury Stock  TOTAL STOCKHOLDERS' EQUITY  Reserve for special depreciation 33,753 18 18 604,028 589,528 69,633 39,329 58,478 39,163 39,163 (276)	Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Treasury Stock  TOTAL STOCKHOLDERS' EQUITY  Reserve for special depreciation 3;753. 2,908 69,633 18 589,528 69,633 39,329 29,163 39,163 (276)	Reserve for special depreciation Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Total Stockholders' Equity  Reserve for special depreciation 3,753 18 18 589,528 604,028 589,528 39,329 [including current net income 58,478 39,163 (276)  Total Stockholders' Equity  1,163,384 1,118,443	Reserve for special depreciation       3,753       2,908         Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Jet Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	
Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Total Stockholders' Equity  13 18 589,528 604,028 589,528 69,633 39,329 58,478 39,163 39,163 (276)  1,163,384 1,118,443	Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Total Stockholders' Equity  13 18 589,528 604,028 589,528 69,633 39,329 58,478 39,163 39,163 (276)  1,163,384 1,118,443	Reserve for deferral of capital gain on property Special reserves Unappropriated retained earnings [including current net income  Vet Unrealized Gains (Losses) on Securities  Total Stock  Total StockHolders' Equity  13 18 589,528 69,633 39,329 39,163 39,163 39,163 (276)  1,203)  (276)	Reserve for deferral of capital gain on property       13       18         Special reserves       604,028       589,528         Unappropriated retained earnings       69,633       39,329         [including current net income       58,478       39,163         Jet Unrealized Gains (Losses) on Securities       2,205       3,163         Treasury Stock       (1,203)       (276         TOTAL STOCKHOLDERS' EQUITY       1,163,384       1,118,443	
Special reserves         604,028         589,528           Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Jet Unrealized Gains (Losses) on Securities         2,205         3,163           Yeasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Special reserves         604,028         589,528           Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Jet Unrealized Gains (Losses) on Securities         2,205         3,163           Yeasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Special reserves         604,028         589,528           Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Jet Unrealized Gains (Losses) on Securities         2,205         3,163           Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Special reserves         604,028         589,528           Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Jet Unrealized Gains (Losses) on Securities         2,205         3,163           Treasury Stock         (1,203)         (276           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	
Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Net Unrealized Gains (Losses) on Securities         2,205         3,163           Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Unappropriated retained earnings         69,633         39,329           [including current net income         58,478         39,163           Net Unrealized Gains (Losses) on Securities         2,205         3,163           Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Unappropriated retained earnings 69,633 39,329 [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163 (276)  TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Unappropriated retained earnings 69,633 39,329 [including current net income 58,478 39,163]  Net Unrealized Gains (Losses) on Securities 2,205 3,163  Yeasury Stock (1,203) (276)  TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	
Net Unrealized Gains (Losses) on Securities  2,205 3,163 Freasury Stock (1,203) (276)  TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Net Unrealized Gains (Losses) on Securities  7.2,205 3,163  7.205 (276)  TOTAL STOCKHOLDERS' EQUITY  1,163,384 1,118,443	Net Unrealized Gains (Losses) on Securities  2,205 3,163 Freasury Stock (1,203) (276) TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Net Unrealized Gains (Losses) on Securities  2,205 3,163 Yeasury Stock (1,203) (276 TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Unappropriated retained earnings 69,633 39,32
Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Eincluding current net income 58,478 39,16
Treasury Stock (1,203) (276) TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	Treasury Stock (1,203) (276) TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	Treasury Stock         (1,203)         (276)           TOTAL STOCKHOLDERS' EQUITY         1,163,384         1,118,443	let Unrealized Gains (Losses) on Securities 2.205 3.16
TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,443	
				Teasury Stock [5: 0 MLF, 2003] (27)
				TOTAL STOCKHOLDERS' EQUITY 1,163,384 1,118,44
1,000,000	THE EMBERTILE FLOW OF CONTROL PLANTS AND THE PROPERTY OF THE P	COME EMBERALO PRODUCTION DE LA COMPANION DE LA	OME EMBERIES 1849 STOCKHOLDERS EQUIT	
				OTAL LIABILITIES AND STOCKHOLDERS' EQUITY 1,739,891 1,658,00

# **Income Statements**

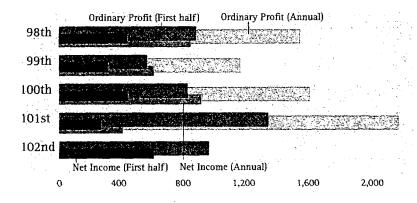
	1-0-71 - 54-01-4-1	Millions of yen
	Six months ended June 30, 2002	
OPERATING PROFIT AND LOSS	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
OFERATION FROM AND LOSS		
Operating Revenue	808,357	903,737
Net sales	808,357	903,737
Operating Expenses	718,506	774,903
Cost of sales	525,023	,
Selling, general and administrative expenses	193,482	190,172
OPERATING PROFIT	89,851	128,834
OTHER INCOME AND EXPENSE		
Other Income	27,141	23,534
Interest income	298	.486
Dividend income	8,313	2,285
Rental income	3,597	3,460
Patent royalties	9,320	11,531
Miscellaneous income	5,611	5,770
Other Expense	23,294	22.224
•	to the control of the	22,334
Interest expense	124	,467
Discount charge for export bills	28	2,213
Depreciation of rental assets	3,170	2,997
Loss on disposal and write-off of inventories Foreign exchange loss	2,953	4,792
Miscellaneous loss	14,082	10,312
wiscenarieous foss	2,934	1,550
ORDINARY PROFIT	93,698	130,035
NON-ORDINARY INCOME AND LOSS		
Non-Ordinary Income	375.	18,227
Gain on sales of fixed assets	375	3
Gain on setting of trust for pension plan	그 사람이 생각하는	18,223
Non-Ordinary Loss	3,521	109,979
Loss on sales and disposal of fixed assets	1,818	2,691
Loss on write-off of investments in subsidiaries	1,703	-,
Amortization of unrecognized net pension obliga-		107,287
INCOME BEFORE INCOME TAXES	90,551	38,283
Income taxes — Current	32,782	53,573
- Deferred	(709)	(41,401)
NET INCOME	- 58,478	26,111
Unappropriated retained earnings brought forward fro	m	L
previous term	11,154	10,284
UNAPPROPRIATED RETAINED EARNINGS	69,633	36,395
Notes:		
1. Transactions with subsidiaries:	701 5	00 milli
Sales		08 million yen
Purchase Other transaction		95 million yen
Other transaction		12 million yen
2. The following shows the amounts of reserves to be res- 2002 in accordance with the Tax Law:	erved or brovided in the	ae mat nan ot
Reserve for special depreciation provided	20	28 million ven
reserved		38 million yen 54 million yen
Reserves for fixed asset reductions provided	71	1 million yen
provided		jeli

# Change in Sales 100 MILLIONS OF YEN



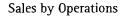
### Change in Ordinary Profit and Net Income

100 MILLIONS OF YEN

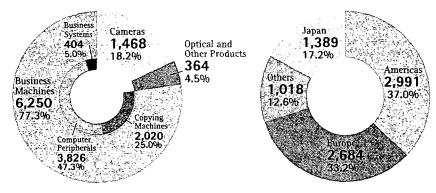


#### **Constitution of Sales**

100 MILLIONS OF YEN



Sales by Region



# CONSOLIDATED RESULTS

Canon's consolidated financial statements conform with accounting principles generally accepted in the United States of America.

### **Consolidated Balance Sheets**

ASSETS	As of June 30	Millions of yen As of Dec. 31
	2002	2001
C	(Unaudited)	(Audited)
Current assets:		
Cash and cash equivalents	445,206	506,234
Marketable securities	7,258	4,772
Trade receivables, less allowance	434,733	456,635
Inventories	427,383	448,300
Prepaid expenses and other current assets	226,140	214,353
Total current assets	1,540,720	1,630,294
Noncurrent receivables and restricted funds	20,392	21,125
Investments	67,348	66,168
Net property, plant and equipment	830,378	821,125
Other assets		
Office general	305,671	306,044
Total assets	2,764,509	2,844,756
LIABILITIES AND STOCKHOLDERS' EQUITY		Millions of yen
	As of June 30	As of Dec. 31
	(Unaudited)	2001 (Audited)
Current liabilities:		· · · · · · · · · · · · · · · · · · ·
Short-term loans	102 047	200 104
	103,847	200,104
Trade payables	382,484	354,446
Income taxes	41,371	65,324
Accrued expenses	141,935	157,335
Other current liabilities	77,257	76,974
Total current liabilities	.746,894	854,183
Long-term debt, excluding current installments	87,136	95,526
Accrued pension and severance cost	251,341	237,537
Other noncurrent liabilities	19,729	17,645
Total liabilities	1,105,100	1,204,891
Minority interests	159,415	181,389
- <del></del>		-,-
Stockholders' equity:		
Common stock	165,651	165,287
Additional paid-in capital	393,871	,
		392,456
Retained earnings	1,096,678	1,036,178
Accumulated other comprehensive income (loss)	(155,003)	(135,168
Treasury stock	(1,203)	(277)
Total stockholders' equity	1,499,994	1,458,476
Total liabilities and stockholders' equity	2,764,509	2,844,756
		Million
	As of June 30	As of Dec. 31
	2002 (Unaudited)	2001 (Audited)
Allowance for doubtful receivables	11,602	11,091
Accumulated depreciation	1,048,952	1,025,107
Accumulated other comprehensive income (loss):	-,,	-,,,
Foreign currency translation adjustments	(76,006)	(52,660)
Net unrealized gains on securities	· _	
MEL DITESTIVE OSTIC DE SECUCIONS	7	564
	(00.00.4)	(00 000)
Minimum pension liability adjustments Net gains (losses) on derivative financial instruments	(80,324) 1,320	(80,649) (2,423)

### Consolidated Statements of Income

•		Millions of yen
	Six months ended June 30, 2002 (Unaudited)	Six months ended June 30, 2001 (Unaudited)
Net sales Cost of sales	1,384,483 734,221	1,473,975 826,808
Gross profit	650,262	647,167
Selling, general and administrative expenses	510,234	483,527
Operating profit	140,028	163,640
Other income (deductions): Interest and dividend income Interest expense Other, net	4,734 (3,482) (14,085)	5,639 (5,727) 5,070
	(12,833)	4,982
Income before income taxes	127,195	168,622
Income taxes	51,539	70,965
Income before minority interests	75,656	97,657
Minority interests	2,451	1,286
Income before cumulative effect of change in accounting principle	73,205	96,371
Cumulative effect of change in accounting principle, net of tax		3,692
Net income	73,205	100,063

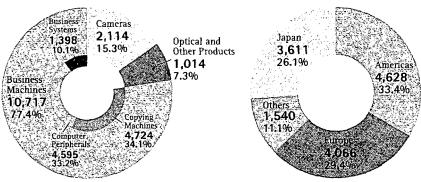
#### Notes:

- 1. The number of consolidated subsidiaries as of June 30, 2002 was 192, and the number of companies accounted for on equity basis as of June 30, 2002 was 21.
- 2. The basic net income per share is ¥83.51.
- 3. Canon's comprehensive income consists of net income, change in foreign currency translation adjustments, change in net unrealized gains on securities, change in minimum pension liability adjustments and change in net gains and losses on derivative financial instruments. Comprehensive income for six months ended June 30, 2002 and 2001 were ¥53,370 million and ¥109,335 million, respectively.
- 4. In 2001 closing, loss on disposal of property, plant and equipment is accounted for in "Selling, general and administrative expenses," and the statement of income for the first half ended June 30, 2001, is restated to maintain comparability.

# Constitution of Sales 100 MILLIONS OF YEN

Sales by Operations

### Sales by Region



### COMPANY PROFILE

(The following statements are the status as of June 30, 2002, if not specified otherwise.)

### Main Activities

The Company is engaged in the manufacture and sales of the following products.

#### **Business Machines**

Copying Machines

Office Copying Machines, Personal Copying Machines, Color Copying Machines

Computer Peripherals

Laser Beam Printers, Bubble Jet Printers, Scanners

**Business Systems** 

**Facsimile Machines** 

#### Cameras

Digital Cameras, Single-Lens Reflex Cameras, Compact Cameras, Digital Video Cameras, Interchangeable Lenses

### **Optical and Other Products**

Semiconductor Production Equipment, Mirror Projection Mask Aligners for LCD Panels, TV Lenses for Broadcasting Stations, Ophthalmic Instruments, X-Ray Equipment, Medical Image Recording Equipment, Photovoltaic Cells

### **Shares**

Total Number of Shares Issuable is 2,000,000,000 shares.

### Total Outstanding Shares, Capital Stock and Number of Shareholders

Total Outstanding Shares (share)

As of the end of the Previous Term	876,282,332
Increase/Decrease during This Half-Term	729,665
As of the end of This Half-Term	877,011,997

### Capital Stock (yen)

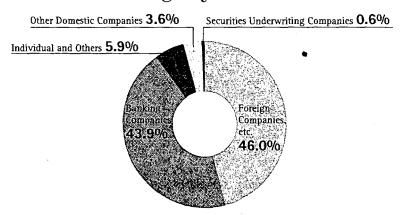
As of the end of the Previous Term	165,287,130,134
Increase/Decrease during This Half-Term	364,242,445
As of the end of This Half-Term	165,651,372,579

### Number of Shareholders (person)

As of the end of the Previous Term	37,693
Increase/Decrease during This Half-Term	238
As of the end of This Half-Term	37,931

The increase of the total outstanding shares during this half-term reflects the conversion of convertible debentures into shares and the share exchange between the Company and Canon Components, Inc. as of May 1, 2002, and the increase in capital stock reflects the conversion of convertible debentures into shares.

### Ratio of Holdings by Shareholders



### The Company's Own Shares

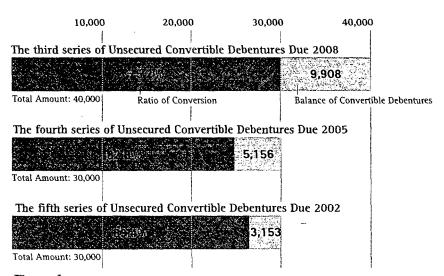
Number of Own Shares as of the end of the Previous Term	Number of Own Shares acquired during this Half-Term	Total Amount of Acquisition Price	Number of Own Shares as of the end of this Half-Term
Common stock	Common stock	927,449 thousand yen	Common stock
69,889 shares	193,615 shares		263,504 shares

Notes 1. The acquisitions during this half-term reflects the purchase of less-than-one-unit shares.

2. There were no dispositions of the Company's own shares during this half-term.

### Convertible Debentures

MILLIONS OF YEN



### **Employees**

Number of Employees (person)	19,824
Increase/Decrease against the Previous Term (person)	244+
Average Age	38.6
Average years of Service	16.0

#### Notes

- 1. Number of employees represents the total number of employees (excluding those who do not work full-time).
- In addition to the employees listed above, 1,726 persons have been dispatched to affiliated companies, etc.

# **Directors and Corporate Auditors**

Position	Name	Business in Charge or Main Occupation
President & CEO	Fujio Mitarai	
Senior Managing Director	Ichiro Endo	Group Executive of Technology Management Headquarters
Senior Managing Director	Yukio Yamashita	Group Executive of Human Resources Management & Organization Headquarters
Senior Managing Director	Toshizo Tanaka	Group Executive of Finance & Accounting Headquarters
Managing Director	Takashi Saito	Deputy Managing Director of Canon Europe Ltd.
Managing Director	Yusuke Emura	Group Executive of Production Management Headquarters; Group Executive of Global Environment Promotion Headquarters
Managing Director	Kinya Uchida	President of Canon U.S.A., Inc.
Managing Director	Akira Tajima	Chief Executive of Optical Products Operations
Managing Director	Nobuyoshi Tanaka	Group Executive of Corporate Intellectual Property and Legal Headquarters
Managing Director	Tsuneji Uchida	Chief Executive of Image Communication Products Operations
Managing Director	Junji Ichikawa	Chief Executive of Peripheral Products Operations
Managing Director	Hajime Tsuruoka	President of Canon Europa N.V.
Director	Toru Takahashi	Executive Vice President of Canon U.S.A., Inc.
Director	Muneo Adachi	Group Executive of New Business Headquarters
Director	Teruomi Takahashi	Chief Executive of i Printer Products Operations
Director	Hironori Yamamoto	Group Executive of Core Technology Development Headquarters; Group Executive of Display Developments Headquarters
Director	Akiyoshi Moroe	Group Executive of General Affairs Headquarters; Group Executive of Information & Communication Systems Headquarters
Director	Kunio Watanabe	Group Executive of Corporate Strategy & Development Headquarters
Director	Ikuo Soma	Chief Executive of Office Imaging Products Operations
Director	Yoroku Adachi	President of Canon (China) Co., Ltd.
Director	Yasuo Mitsuhashi	Chief Executive of Chemical Products Operations
Corporate Auditor	Kohtaro Miyagi	
Corporate Auditor	Masaharu Aono	
Corporate Auditor	Tadashi Ohe	Attorney
Corporate Auditor	Tetsuo Yoshizawa	

Note

Corporate Auditors Mr. Tadashi Ohe and Mr. Tetsuo Yoshizawa are the outside Corporate Auditors stipulated in Article 18, Paragraph 1 of the Law Regarding Exceptional Rules of the Commercial Code Concerning Auditing, etc. of Stock Corporation.

### INFORMATION ON SHARES

#### Closing of accounts:

December 31 of each year

### Ordinary general meeting of shareholders:

March of each year

#### Record date for the above:

December 31 of each year

Otherwise, if necessary, public notice will be given in advance in accordance with a resolution by the board of directors.

#### Certain date for interim dividends:

June 30 of each year

#### Transfer agent:

Mizuho Trust & Banking Co., Ltd.

5-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

### Business handling place of the agent:

Head Office of Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.

### Mailing address and telephone number of the agent:

Business Office of Stock Transfer Agency Department

Mizuho Trust & Banking Co., Ltd.

17-7, Saga 1-chome, Koto-ku, Tokyo 135-8722

Telephone: 03(3642) 4004

#### Intermediary offices:

Branches of Mizuho Trust & Banking Co., Ltd.

Head Office and Branches of Mizuho Asset Trust & Banking Co., Ltd.\*

Head Office and Branches of Mizuho Investors Securities Co., Ltd.

#### Number of shares to constitute one unit of shares:

1,000 shares

#### Newspaper in which public notice is inserted:

The Nihon Keizai Shimbun published in Tokyo

#### Listed stock exchange:

Tokyo, Osaka, Nagoya, Fukuoka, Sapporo, New York and Frankfurt am Main

#### Fee for issuing share certificate:

The amount equivalent to stamp duty for issue of each new share certificate

<sup>\*</sup> Yasuda Trust & Banking Co., Ltd., one of the intermediary offices for the transfer agent, has changed its corporate name to "Mizuho Asset Trust & Banking Co., Ltd." as of April 1, 2002.

Registered Head Office 30-2, Shimomaruko 3-chome, Ohta-ku, Tokyo 146-8501 Telephone: 03 (3758) 2111 URL

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