

Canon misses profit forecast on poor camera sales

TOKYO, JAPAN: Japan's Canon said that it missed its full-year profit target because of a slump in demand for its digital cameras as consumers increasingly turn to smartphones to take pictures.



Sales of digital cameras have fallen resulting in Canon missing its profit forecast for the year.

Image: [Imaging Resource](#)

The company reported that net profit rose 2.6% last year to ¥230.5bn thanks to a weak yen and cost-cutting efforts, but that figure missed an earlier prediction for a ¥240bn profit.

Revenue rose 7.2% to ¥3.7trn, while Canon said it logged a 4.1% rise in operating profit to ¥337.3bn.

Unlike many Japanese firms which report on a fiscal year ending in March, Canon reports on a calendar-year basis.

The company said the rising profits were mainly due to the effects of ongoing cost-cutting efforts along with the depreciation of the yen, adding that it saw steady sales growth for office multifunction devices and laser printers.

Japanese exporters have benefited from the yen's sharp decline over the past year as it inflates the repatriated income and makes them more competitive overseas.

Canon and Japanese rivals including Sony and Olympus have seen a big drop in demand for their digital imaging products as camera-equipped smartphone sales boom.

For 2014, Canon said it expected to earn a net profit of ¥240bn and an operating profit of ¥360bn on sales of ¥3.85trn.

Source: AFP via I-Net Bridge

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