



Third Quarter Results Briefing for Fiscal Year Ending March 31, 2024

February 7, 2024

CASIO COMPUTER CO., LTD.

Consolidated Results for 3Q of FY March 2024



Billions of yen

	3Q(Oct-Dec)		
	FY March 2023 Results	FY March 2024 Results	YoY Change
Net sales	67.9	67.7	100%
Operating profit	6.4	3.6	57%
OPM	9.4%	5.4%	
Ordinary profit	5.4	3.6	66%
Net income	3.9	2.7	69%
EPS (yen)	16.47	11.78	

Average exchange rate(yen)	U.S. Dollar	141.6	147.9
	Euro	144.4	159.1
	Chinese Yuan	19.9	20.4

Billions of yen

		3Q(Oct-Dec)		
		FY March 2023 Results	FY March 2024 Results	YoY Change
Timepieces	Net sales	41.3	44.7	108%
	Operating profit	7.5	6.1	-1.4
	OPM	18.2%	13.6%	
Consumer	Net sales	21.8	19.0	87%
	Operating profit	1.3	0.2	-1.1
	OPM	5.8%	1%	
System equipment	Net sales	3.4	3.0	89%
	Operating profit	-0.6	-1.1	-0.5
	OPM	-	-	
Others	Net sales	1.4	1.1	75%
	Operating profit	0.0	-0.1	-0.1
	OPM	2%	-	
Adjustment	Operating profit	-1.8	-1.5	0.3
Total	Net sales	67.9	67.7	100%
	Operating profit	6.4	3.6	-2.8
	OPM	9.4%	5.4%	

Consolidated Results for 3Q of FY March 2024

CASIO

Billions of yen

	3Q (Apr-Dec)		
	FY March 2023 Results	FY March 2024 Results	YoY Change
Net sales	201.2	201.3	100%
Operating profit	16.5	11.8	72%
OPM	8.2%	5.9%	
Ordinary profit	17.0	14.2	83%
Net income	12.2	10.0	82%
EPS (yen)	51.11	42.57	

Average exchange rate(yen)	U.S. Dollar	136.5	143.3
	Euro	140.6	155.3
	Chinese Yuan	19.9	20.0

Billions of yen

		3Q (Apr-Dec)		
		FY March 2023 Results	FY March 2024 Results	YoY Change
Timepieces	Net sales	121.1	126.5	104%
	Operating profit	20.3	16.8	-3.5
	OPM	16.8%	13.3%	
Consumer	Net sales	65.3	62.8	96%
	Operating profit	4.0	2.0	-1.9
	OPM	6.1%	3.3%	
System equipment	Net sales	10.8	8.4	78%
	Operating profit	-2.2	-2.5	-0.3
	OPM	-	-	
Others	Net sales	4.0	3.7	91%
	Operating profit	0.2	0.1	-0.1
	OPM	5.6%	2.2%	
Adjustment	Operating profit	-5.9	-4.6	1.3
Total	Net sales	201.2	201.3	100%
	Operating profit	16.5	11.8	-4.7
	OPM	8.2%	5.9%	

Billions of yen

	FY March 2024 Full year (plan)
Net sales	275.0
Operating profit	18.0
OPM	6.5%
Ordinary profit	20.0
Net income	14.0
EPS (yen)	59.84

Assumed exchange rate 2H(yen)

U.S. Dollar	145
Euro	153
Chinese Yuan	19.8

Billions of yen

		FY March 2024 Full year (plan)
Timepieces	Net sales	172.0
	Operating profit	23.5
	OPM	13.7%
Consumer	Net sales	86.0
	Operating profit	3.5
	OPM	4.1%
System equipment	Net sales	12.0
	Operating profit	-2.5
	OPM	-
Others	Net sales	5.0
	Operating profit	0.0
	OPM	0%
Adjustment	Operating profit	-6.5
Total	Net sales	275.0
	Operating profit	18.0
	OPM	6.5%

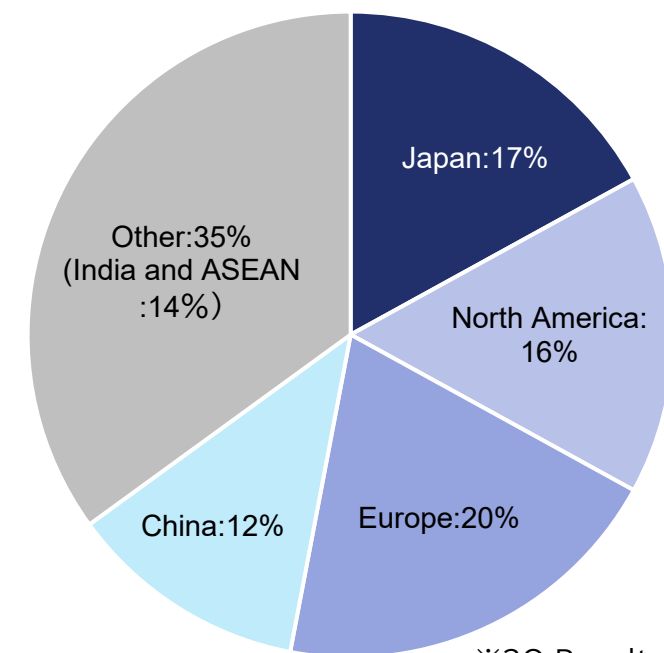
Timepiece Business: Third Quarter Results

Billions of yen

	1H Results	Q3(Oct-Dec)		FY March 2024 Full year (plan)
		FY March 2023 Results	FY March 2024 Results	
Net sales	81.8	41.3	44.7	172.0
OPM	13.1%	18.2%	13.6%	13.7%

- The environment remained more challenging than expected despite anticipation of recovery to some extent in the Chinese market, which was weak in the previous fiscal year.
- Consumption trends were weak in North America and some ASEAN countries.

Sales by Region



※3Q Results

G-SHOCK percentage (including BABY-G): Approx. 53% (of which, metal models: 16%; resin models: 37%)

G-SHOCK unit sales: Approx. 2.0 million units, of which approx. 200,000 units were BABY-G *Approx. 2.1 million units in 3Q of previous year, of which approx. 200,000 units were BABY-G

G-SHOCK (metal, MR-G)

- Limited-edition models with special 40th anniversary specifications recorded strong sales, including GCW-B5000UN, which brings to mind a galactic mist, and MRG-B2000SG, which uses traditional techniques and cutting-edge technology with a *kabuto* helmet motif.
- Sales of the G-STEEL series, which is promoted to young people in China via social media, were strong.



G-SHOCK
GCW-B5000UN



G-SHOCK MR-G
MRG-B2000SG



G-SHOCK
G-STEEL
GST-B100

G-SHOCK (resin)

- octagonal 2100 line variations, such as the GA-2100 and the GA-B2100, remained strong particularly in Europe.
- The GWG-B1000, the MASTER OF G MUDMASTER flagship model, with a carbon fiber-reinforced resin case fused with metal materials using precision forging technology, was popular.



G-SHOCK
GA-2100



G-SHOCK
MUDMASTER
GWG-B1000

G-SHOCK (sports)

- Sales of G-SQUAD, a lightweight sports line that includes GBD-200 for running and GBD-H2000 compatible with multiple sports, were strong worldwide.



G-SHOCK
GBD-200



G-SHOCK
GBD-H2000



G-SHOCK
DW-H5600

Other

- Sales of Casio brand watches (Vintage and metal analog watches) remained strong in Europe and the United States.



Standard
MTP-1302D



Vintage Series
A168WG

YoY (in local currencies) Overall: +4%

Japan:+2%

- Sales at directly-managed stores were strong, driven by gift demand and other factors.
- Sales of premium G-SHOCK watches exceeded the previous year, driven by 40th anniversary models, but still fell short of expectations.

North America:-5%

- Department store distribution was strong in some areas, but weak overall.
- Direct e-commerce introduced a points program in November, and strong sales.

Europe:+5%

- The G-SHOCK brand continued to be popular, and sales remained strong.
- Casio brands (Vintage and metal analog watches) captured the analog trend in Europe, and sales remained strong.

China:+19%

- We continued to monitor changes in consumption trends.
- The challenging conditions in the market overall continued, and the recovery in actual sales fell short of expectations even during and after the Singles' Day shopping season.

Other:+3%

- Weak consumption trends continued in some ASEAN countries.
- Sales were strong in India due to appointment of the first major brand ambassadors (Shubman Gill/Vicky Kaushal) and other factors.

Percentage of sales by region
(based on yen figures)

Japan 17%, North America 16%, Europe 20%, China 12%, Other 35% (India and ASEAN 14%)

E-commerce sales percentage

Overall: Mid-20%, Japan: less than 30%, North America: Mid-40%, Europe: 30% range, China: Mid-40%

Direct e-commerce sales

YoY in 3Q: Japan 1.4 times higher, North America 1.0 times higher, Europe 1.1 times higher

■ EdTech (Education)

Billions of yen

	1H Results	Q3(Oct-Dec)		FY March 2024 Full year (plan)
		FY March 2023 Results	FY March 2024 Results	
Net sales	33.3	13.2	12.3	60.0
OPM	12.1%	9.7%	1.7%	9.2%

*3Q breakdown:

Net sales: Scientific and standard calculators approx. 80%,
electronic dictionaries, etc. approx. 20%

OPM: Scientific and standard calculators approx. 11.6%

Operating profit: Electronic dictionaries, etc. approx. - ¥0.9 billion

- Sales remained in line with the initial plan.

■ Sound (Electronic Musical Instrument)

Billions of yen

	1H Results	Q3(Oct-Dec)		FY March 2024 Full year (plan)
		FY March 2023 Results	FY March 2024 Results	
Net sales	10.5	8.6	6.7	26.0
Operating profit	-2.2	-0.0	-0.0	-2.0

- Challenging conditions continued due to the impacts of the drop-off from stay-at-home demand during the pandemic and inflation, as inventory adjustment required time.
- There were signs of recovery in Europe.

Billions of yen

	1H Results	Q3(Oct-Dec)		FY March 2024 Full year (plan)
		FY March 2023 Results	FY March 2024 Results	
Net sales	5.4	3.2	3.0	12.0
Operating profit	-1.4	-0.6	-1.1	-2.5

HR Solution Business (CHS)

- Continued to support customer replacement of the ADPS integration system.
- Strengthened shift to recurring revenue business.

Cash Registers (SA)

- Sales of Bluetooth cash registers were strong, meeting demand driven by the commencement of Japan's invoicing system.

Handheld Terminals (PA)

- Continued to respond to orders while considering profitability.

Management Support for Small and Medium Businesses

- Continued response in association with invoicing system support, leveraging IT introduction subsidies.
- Strong orders received driven by need to comply with Japan's Electronic Books Maintenance Act.

SHOCK THE WORLD (Shanghai)

- Held November 19, 2023
- Nearly 2,000 people visited the conference and live event
- Implemented programs linked to STW in directly-managed stores. E-commerce conducted livestreams and social media streams linked to STW.
- Rolling out popup programs in major cities after STW



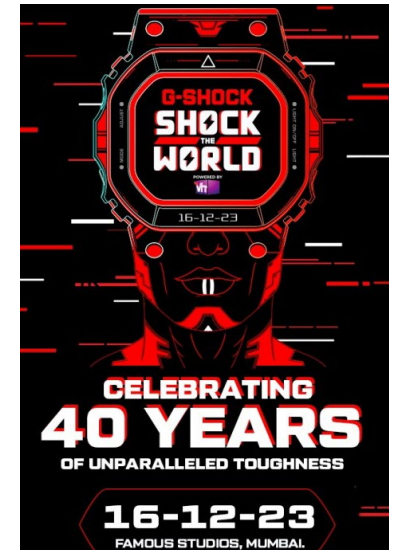
SHOCK THE WORLD(Bali)

- Held December 2, 2023
- Invited influential media from several countries in the region
- Social media posts from brand ambassador Rich Brian and the 88rising music company he belongs to
- Established sales counters linked to the event in 9 ASEAN countries



SHOCK THE WORLD(Mumbai)

- Held December 16, 2023
- Implemented campaigns in stores across India in lead up to the event
- Rolled out stores with awareness of visual merchandising using brand ambassadors Shubman Gill and Vicky Kaushal



New CELVIANO products

- A new sound system creates the natural, rich expressiveness of a grand piano, and digital control technology allows adjustment of touch sensitivity, providing enhanced playability
- The Visual Information Bar on the front panel allows users to visually confirm keystroke velocity and the amount of pedal depression, metronome, and other functions, enabling them to discover new nuances in their playing.



		Overview
Timepiece		<ul style="list-style-type: none"> • Casio will continue to monitor consumption trends in China, where there has been a sharp deterioration since the end of the year. • Casio is continuing marketing activities and post-STW promotions in India and ASEAN countries, which are focus regions. • Casio is rebuilding integrated stores in line with distribution and working to strengthen the G-SHOCK brand.
Consumer		<ul style="list-style-type: none"> • Casio will secure earnings in the EdTech business to offset the Sound business, where the market is sluggish, and expects to achieve the plan for the segment.
	EdTech	<ul style="list-style-type: none"> • In electronic dictionaries, Casio is focusing on GAKUHAN activities in Japan, which are essentially normal after the pandemic. • Casio is strengthening selling-season proposal activities under the new sales system.
	Sound	<ul style="list-style-type: none"> • Casio is continuing inventory adjustments with the impact of sluggish demand after stay-at-home demand. • Casio has launched a new CELVIANO product and is continuing to strengthen the high-end product lineup.
System Equipment		<ul style="list-style-type: none"> • Casio plans to take steps to address loss-making businesses.
Adjustment		<ul style="list-style-type: none"> • Casio will implement investment in new businesses based on rigorous management.

Casio plans to formulate growth strategies for each business in line with the business environment and implement structural reform to build a robust structure

Appendices

Provision of restoration service to repair a favorite G-SHOCK



Repairing

Since 2018, Casio has been offering a restoration service to replace parts in models for which service support has ended to repair G-SHOCK watches filled with individual memories and allow them to be used longer.

This time, Casio has been targeting models that were popular in previous services again, accepting eight models for repairs limited to the period from December 5, 2023 to February 29, 2024. The eight models include the DW-5000C, the first-generation G-SHOCK launched in 1983, and the DW-5600C, the first in the long-selling 5600 series with that same design.

Sale of Virtual G-Shock NFTs based on futuristic concepts of shock-resistant structure



VIRTUAL G-SHOCK NFT

Since December 16, a limited number of 2,000 Virtual G-Shock NFTs have been available. The Virtual G-Shock NFTs are non-fungible tokens that represent the futuristic shock-resistant structure of shock-resistant G-SHOCK watches in virtual space. Casio launched Virtual G-Shock, which is a project to promote communication in virtual space in order to increase touchpoints with new users, particularly Gen Z users, in September 2023. Going forward, Casio will offer a variety of co-creation programs via the Virtual G-Shock project to provide new user experiences.

Second dream project commemorating 40th anniversary of G-SHOCK
Special model with innovative shock-resistant structure
achieved using co-creation between humans and AI



G-D001

Casio unveiled the G-D001, a special model in a worldwide limited edition of just one piece. The unique organic shape achieved a full-metal shock-resistant structure and was made in a co-creation process between humans and AI. It employed a generative design technique for the external design, which has never been attempted before. The G-SHOCK G-D001 was offered for sale as a charity item* in an auction held by Phillips in New York on December 9 and 10, 2023. It sold for \$400,050, exceeding what was anticipated.

*Proceeds were donated to The Nature Conservancy, an environmental group in North America.

Digital piano Privia PX-S7000 wins
Musical Instrument Stores' Grand Prize 2023



PX-S7000

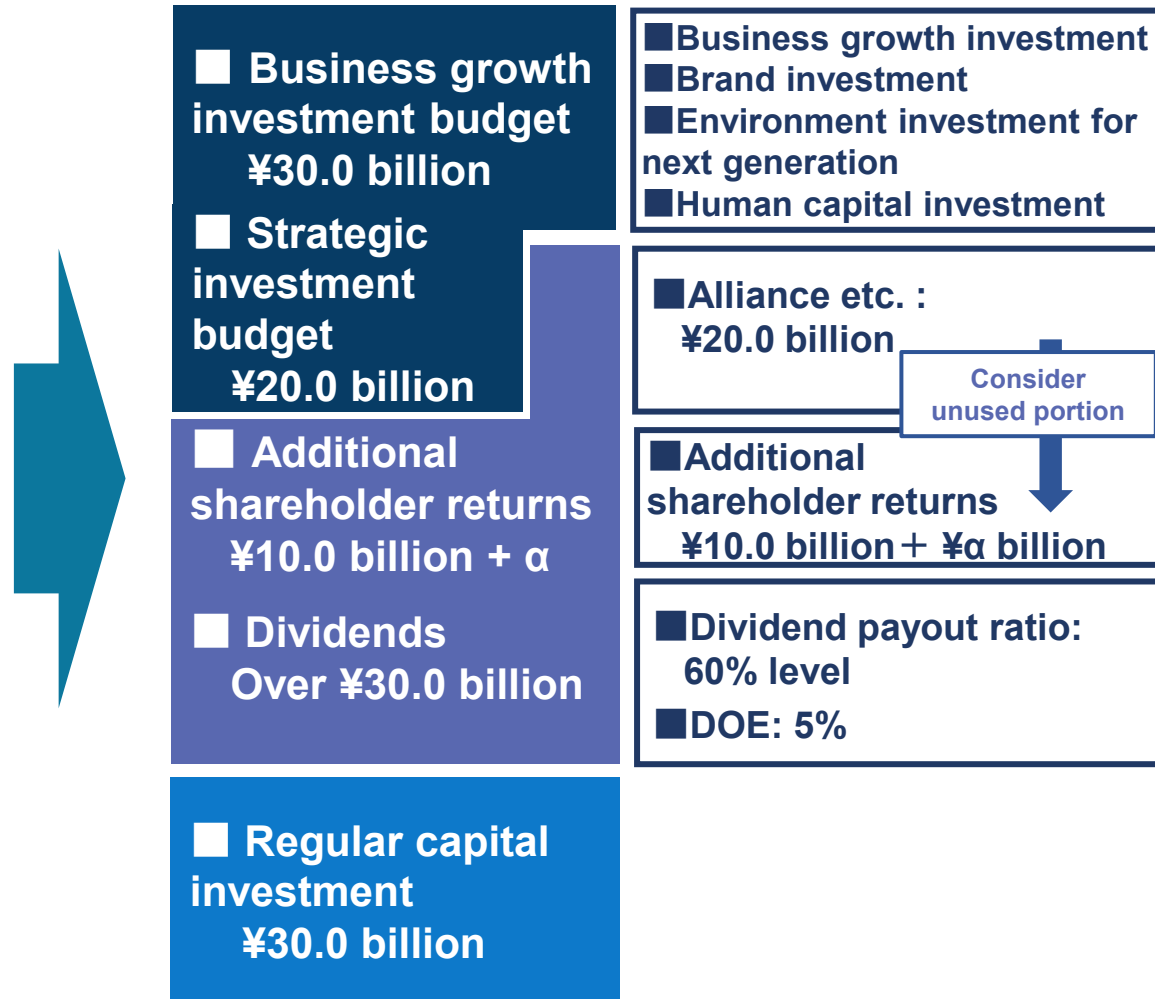
The Privia PX-S7000 won the Grand Prize in the Digital Piano/Keyboard section of the Product Division of the Musical Instrument Stores' Grand Prize 2023 sponsored by the Japan Musical Instruments Association.

This is the third prize won by the Privia PX-S7000, after it received the highest honor of the iF Design Award 2023 and was named a Gold Winner and Silver Winner (in two different categories) at the NY Product Design Awards 2023.

Cash allocation resources (3-year cumulative)



Capital allocation (3 years)



• As the component treated as expenses constitutes net profit, it is returned as cash and allocated to the growth investment budget in and after the next fiscal year

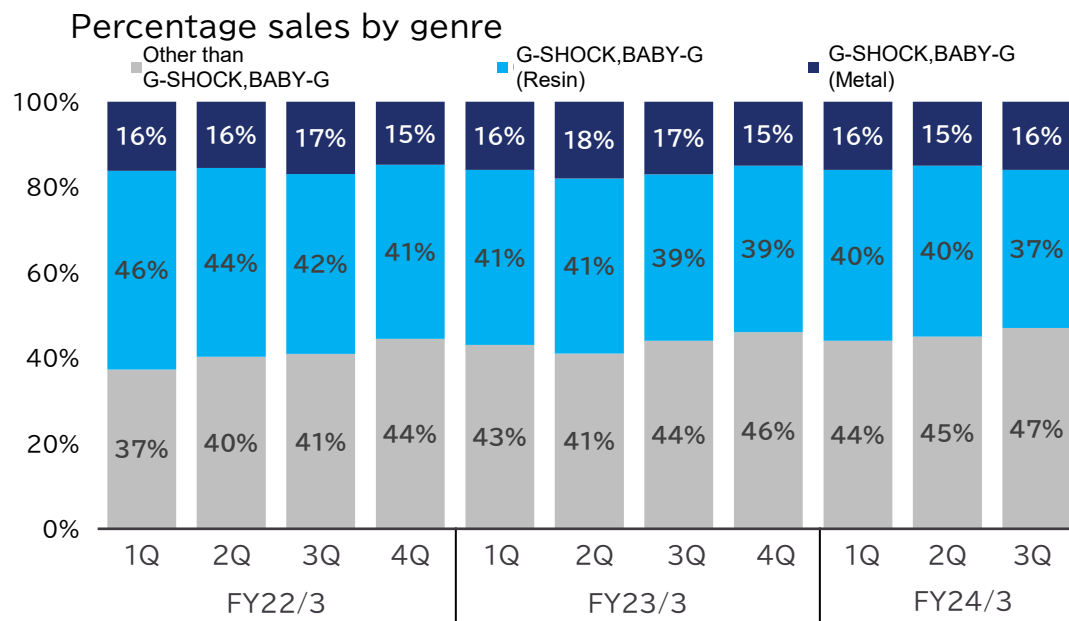
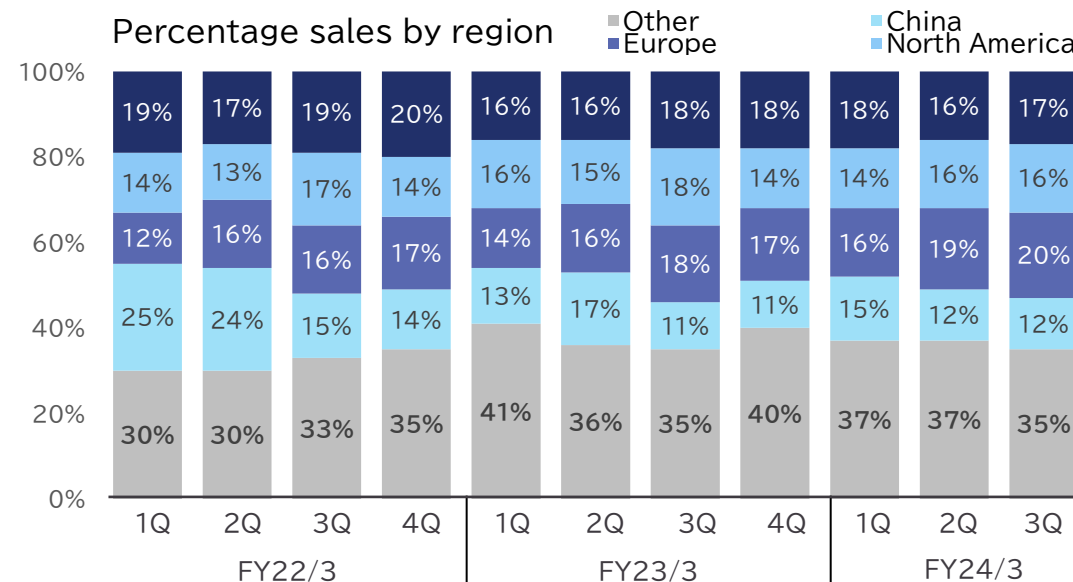
• Strategic investment budget to realize discontinuous growth

• Consider additional shareholder returns for unused portion

	FY March 2023 (Previous FY)		FY March 2026 (In 3 years time)	Policies
ROE	5.9%	➔	Over 10%	<ul style="list-style-type: none"> • Ensure return on capital that exceeds the cost of capital • Consider streamlining invested capital if there are no suitable strategic investment projects
ROIC	4.7%	➔	Over 8%	
<p>ROIC = operating profit after tax ÷ average invested capital at the beginning and end of the period (interest-bearing liabilities + net assets)</p>				
Liquid cash reserves	¥130.7 billion	➔	¥100.0 billion level	<ul style="list-style-type: none"> • Effectively use surplus cash after ensuring financial security
Equity ratio	66%	➔	Just over 60%	
<p>(Average over next 3 years)</p>				
Dividend payout ratio	82.3%	➔	60% level	<ul style="list-style-type: none"> • Dividend policy : business performance-linked and stable dividends • Enhance shareholder returns by financing the business growth investment budget and strategic investment budget with surplus cash reserves
DOE	4.9%	➔	5% level	
Total payout ratio	99.4%	➔	80%~120%	

Assumed exchange rate 3Q(yen)		FOREX Sensitivity RMB impact of ¥0.1 move	
		Net sales	Operating profit
U.S. Dollar	¥145	¥1.0 billion	-¥0.05 billion
Euro	¥153	¥0.30 billion	¥0.20 billion
Chinese Yuan	¥19.8	¥0.16 billion	¥0.08 billion

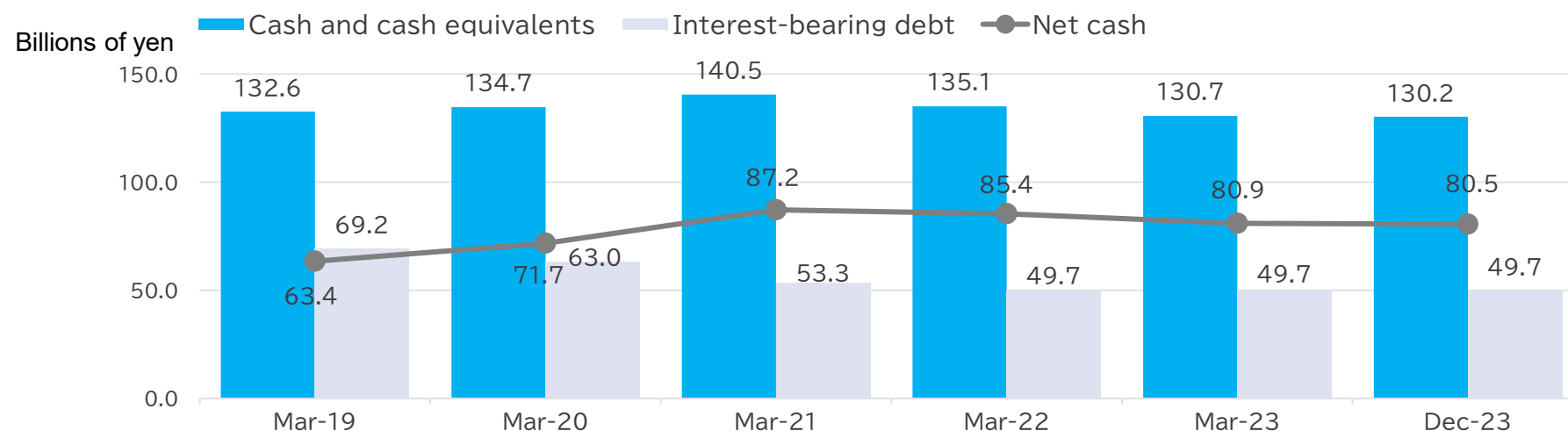
Timepiece Business: Supplemental Data



Consolidated balance sheets

Billions of yen

	March-end, 2019	March-end, 2020	March-end, 2021	March-end, 2022	March-end, 2023	December-end, 2023
Total asset	357.5	334.1	332.0	337.3	335.2	336.0
Total liabilities	145.9	131.6	120.1	118.4	113.6	117.5
Equity ratio	59.2%	60.6%	63.8%	64.9%	66.1%	65.0%
D/E ratio	0.33	0.31	0.25	0.23	0.22	0.23
Cash and cash equivalents	132.6	134.7	140.5	135.1	130.7	130.2
interest-bearing debt	69.2	63.0	53.3	49.7	49.7	49.7
Net cash	63.4	71.7	87.2	85.4	80.9	80.5



Forward-looking Statements

Earnings estimates and expectations that are not historical fact included in this report are forward-looking statements.

Although such forward-looking statements reflect the judgment of management based on information currently available to it, various factors could cause actual results to differ materially.

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

CASIO