

Results Briefing
for Fiscal Year Ended March 31, 2022
Business Outlook for
Fiscal Year Ending March 31, 2023

May 12, 2022

CASIO COMPUTER CO., LTD.

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.

Overall Summary

■ FY March 2022 Results

- Through 3Q, sales and profit levels were in the expected range and remained strong, primarily in the core timepiece, education, and electronic musical instruments businesses, as the structural reforms have been effective in conjunction with sales recovery.
- In 4Q, both sales and profit fell short of the announced forecasts as the impact from the lockdown of Chinese production/shipping sites due to China's Zero COVID policy, the situation in Ukraine, and other factors resulted in production and logistics restrictions and a greater-than-expected decline in demand/sales. Nevertheless, full-year sales and profit were up YoY.

■ FY March 2023 Forecasts

- Although the challenging external environment is expected to persist, Casio projects growth in sales and profit due to recovery in market conditions from COVID-19 and the effect of company-wide structural reforms.

Consolidated Results for FY March 2022

Billions of yen

Consolidated Results	FY March 2022 4Q			FY March 2021		
	FY March 2021 4Q	FY March 2022 4Q	YoY Change	FY March 2021	FY March 2022	YoY Change
Net sales	61.0	58.1	95%	227.4	252.3	111%
Operating profit	4.2	2.0	46%	15.4	22.0	143%
OPM	6.9%	3.4%		6.8%	8.7%	
Ordinary profit	4.7	1.4	29%	16.3	22.2	136%
Net income	1.9	1.1	55%	12.0	15.9	132%
EPS (yen)	8.02	4.41		49.52	65.53	

Net Sales and Operating Profit, by Segment

Billions of yen

		Consolidated Results	FY March 2021 4Q	FY March 2022 4Q	YoY Change	FY March 2021	FY March 2022	YoY Change
Net Sales	Timepieces		32.4	32.4	100%	131.3	152.3	116%
	Consumer		21.9	20.7	94%	72.7	81.2	112%
	System equipment		5.3	3.7	69%	18.7	13.3	71%
	Others		1.4	1.4	102%	4.8	5.6	117%
	Total		61.0	58.1	95%	227.4	252.3	111%
Operating profit	Timepieces		4.2	3.6	84%	23.1	27.9	121%
	Consumer		3.4	1.0	29%	5.4	5.9	109%
	System equipment		-1.0	-0.4	-	-4.8	-2.3	-
	Others		0.0	0.1	163%	0.3	0.4	127%
	Adjustment		-2.4	-2.3	-	-8.6	-9.9	-
Total		4.2	2.0	46%	15.4	22.0	143%	

FY March 2022: Factors Impacting Operating Profit in 2H (mainly in 4Q)

		Billions of yen
Impact of sudden changes in external environment		OP impact
(1) Suspension of shipments due to lockdown of Chinese shipping sites (Qianhai Bay, Shenzhen) and production sites (Zhongshan, Dongguan, Shaoguan)		-1.5
(2) Impact of soaring raw material prices (electronic components and mechanical components)		-1.8
(3) Soaring logistics costs		-0.8
(4) Greater-than-expected decline in demand due to continuation of China's Zero COVID policy		-0.9
(5) Downturn in European market associated with Ukraine situation		-0.8
	Subtotal	-5.8
Other factors		
Sales projection shortfall with ongoing impact of COVID-19 in Japan		-1.2
		OP impact Total
		-7.0

Breakdown)
 Timepieces: -3.6 EMI: -1.6
 Education: -0.4 System Equipment: -0.2

Education
 (electronic dictionaries): -0.6
 System Equipment : -0.6

Efforts to optimize selling prices and improve cost efficiency were unable to entirely compensate for the dramatic changes in the external environment, and operating profit fell short of ¥4.5 billion compared to the announced forecast.

FY March 2023 Forecasts

Billions of yen

Consolidated	FY March 2022	FY March 2023 Financial Forecasts				FY March 2023 Financial Forecasts	
		1H	YoY Change	2H	YoY Change	Full year	YoY Change
Net sales	252.3	130.0	103%	140.0	111%	270.0	107%
Operating profit	22.0	10.0	83%	17.0	170%	27.0	123%
OPM	8.7%	7.7%		12.1%		10.0%	
Ordinary profit	22.2	9.0	73%	16.0	162%	25.0	113%
Net income	15.9	6.5	74%	11.0	155%	17.5	110%
EPS (yen)	65.53	27.15		45.99		73.14	

Perception of External Environment and Assumptions of Impact on Profit Behind the Plan

External environment factors

	Expected impact	Response to change	Main businesses impacted
(1) Soaring raw material prices (Electronic components and mechanical components)	Full-year	<ul style="list-style-type: none"> Optimize selling prices / streamline costs Diversify suppliers of components and materials Use substitutes through design changes 	Timepieces EMI Education
(2) Soaring logistics costs			
(3) Greater-than-expected fall in demand due to China's Zero COVID policy	~1H	<ul style="list-style-type: none"> Improve gross profit margin through distribution reforms Expand direct e-commerce Shift to regions with strong performance 	Timepieces EMI
(4) Downturn in European market	Full-year		Timepieces EMI

Net Sales and Operating Profit by Segment

Billions of yen

	Consolidated	FY March 2022	FY March 2023 Financial Forecasts			
			1H	2H	Full year	YoY Change
Net Sales	Timepieces	152.3	75.0	83.0	158.0	104%
	Consumer	81.2	42.5	44.5	87.0	107%
	System equipment	13.3	10.0	10.0	20.0	150%
	Others	5.6	2.5	2.5	5.0	90%
	Total	252.3	130.0	140.0	270.0	107%
Operating profit	Timepieces	27.9	12.5	17.5	30.0	108%
	Consumer	5.9	1.5	3.5	5.0	85%
	System equipment	-2.3	0.0	0.0	0.0	-
	Others	0.4	0.0	0.0	0.0	0%
	Adjustment	-9.9	-4.0	-4.0	-8.0	-
Total	22.0	10.0	17.0	27.0	123%	

Plan Details for Year Ending March 31, 2023

Billions of yen

	FY March 2023		
	Net sales	Operating Profit	OPM
Timepieces (incl. sports & health)	158.0	30.0	19%
Consumer	87.0	5.0	6%
Education (educational scientific calculators/electronic dictionaries)	58.0	5.0	9%
Electronic musical instruments	29.0	0.0	0%
System Equipment	20.0	0.0	0%
Existing businesses	17.0	0.0	0%
New businesses (other than sports & health)	3.0	-	-
Others	5.0	0.0	0%
Adjustment	-	-8.0	-
Total	270.0	27.0	10%

Timepieces/EMI (Consolidated Results for FY March 2022/FY March 2023 Forecasts)

Billions of yen

	Consolidated Results for FY March 2022			FY March 2023 Forecasts		
	Net sales	Operating profit	OPM	Net sales	Operating profit	OPM
Timepieces	152.3	27.9	18%	158.0	30.0	19%
Electronic musical instruments	29.2	1.6	6%	29.0	0.0	0%
Others (other than Timepieces and EMI)	70.8	2.4	3%	83.0	5.0	6%
Adjustment	-	-9.9	-	-	-8.0	-
Total	252.3	22.0	9%	270.0	27.0	10%

Timepiece Business

Consolidated Results for FY March 2022

Billions of yen

				Full year
	3Q	4Q	2H	
Net sales	41.8	32.4	74.1	152.3
OPM	22%	11%	17%	18%

Billions of yen

Lockdown of Chinese production and shipment sites
(Net sales-2.8 Operating profit-1.3)

Impact of soaring raw material prices and logistics costs
(Operating profit-1.2)

Slump in demand due to China's Zero COVID policy
(Net sales-1.5 Operating profit-0.7)

Impact on sales due to downturn in European market
(Net sales-0.8 Operating profit-0.4)

**Impact of external environment: Sales ¥-5.1 billion,
Operating profit ¥-3.6 billion**

**Impact of external environment equivalent to 8% of
OPM for 4Q and 2% for full year**

FY March 2023 Forecasts

Billions of yen

			Full year
	1H	2H	
Net sales	75.0	83.0	158.0
OPM	17%	21%	19%

- Respond to soaring raw material prices and logistics costs by optimizing selling prices, etc.
- In terms of regions, offset challenging conditions in China and Europe by focusing on other regions with strong performance (North America, ASEAN)
- Vigorously promote basic strategies of increasing loyal customers, reforming distribution, One-to-One marketing (direct marketing), shifting to high unit price products, and expanding the percentage of direct e-commerce, etc., and maintain high profit structure

Conditions by Region in Timepiece Business

Chinese market conditions

- ◆ Since 3Q, in addition to downturn in real economy, environment has deteriorated due to renewed spread of COVID-19
 - ◆ Significant impact of Shanghai lockdown on economic activity throughout China
- Despite a challenging environment, preparations for a return to high growth, including the accumulation of customer and distribution assets, are steadily underway

- Maintained **top annual brand ranking** on two major e-commerce platforms (2021 results)
- Gained **industry-leading number of members** for major e-commerce flagship stores and direct e-commerce
- Significantly increased percentage of G-SHOCK sales to women by capturing the genderless trend (**women members account for 48% of members** at flagship store of major e-commerce platform).
- **Full-scale entry** into rapidly growing **emerging e-commerce platform** (acquisition of high evaluation of users' interest in and empathy with the CASIO brand)
- **Opened regional flagship store in Dalian Centennial City**, a leading luxury mall in Dalian
(Strengthened high-grade stores in leading cities and malls: opened 4 stores in previous fiscal year, bringing total to five)

North America

Reviewed sales dependence on distributors

Established sales growth and a highly profitable structure by both online and offline distribution reforms

- **Strengthened direct e-commerce**
Direct marketing/identified user trends/improved profitability

- **Opened up jeweller distribution**
Significantly increased in jeweller/premium distribution (FY2022 sales up over 140% YoY)

Growth over 5 years	FY2017	FY2022
Direct e-commerce percentage (of sales)	Almost 0%	Over 13%
Opening up jewelers	70 stores	984 stores

ASEAN

Developed detailed marketing mix optimized for each country's unique market conditions

- Cross-region branding: Pursued unchanging values (brand consistency) in the midst of ASEAN diversity
- Singapore: Enhanced user guidance through direct e-commerce × directly managed store collaboration (Using CASIO ID to deepen customer understanding)
- Indonesia: Combined brand building (quality) by strengthening exclusive Casio stores with expansion of dealer network (quantity)

Electronic Musical Instrument Business

Consolidated Results for FY March 2022

Billions of yen

				Full year
	3Q	4Q	2H	
Net sales	10.0	5.7	15.8	29.2
OPM	14%	-13%	4%	6%

Although Slim & Smart models continued strong performance,

Lockdown of Chinese production and shipment sites
(Net sales-0.4 Operating profit-0.2)

Impact of soaring raw material prices and logistics costs
(Operating profit-0.8)

Slump in demand due to China's Zero COVID policy
(Net sales-0.4 Operating profit-0.2)

Impact on sales due to downturn in European market
(Net sales-0.9 Operating profit-0.4)

Impact of external environment: Sales ¥-1.7 billion, Operating profit ¥-1.6billion

Impact of external environment equivalent to 24% of OPM for 4Q and 4% for full year

FY March 2023 Forecasts

Billions of yen

			Full year
	1H	2H	
Net sales	13.5	15.5	29.0
OPM	-7%	6%	0%

- Respond to soaring raw material prices and logistics costs by optimizing selling prices, etc. for 2H
- Strengthen profitability by strategy of enhancing Slim & Smart line up and expanding sales ratio
- Temporary decline in profit margin in 1H due to plans to record strategic investment costs in 1H aimed at enhancing Slim & Smart line up

Timepiece Segment

Results for FY March 2022 4Q/full year Results

- Impact of lockdown on production and shipping sites
- Impact of lockdown in major cities due to continuation of China's Zero COVID policy
- Downturn in European market associated with Ukraine situation

Billions of yen

				Full year
	3Q	4Q	2H	
Net Sales	41.8	32.4	74.1	152.3
OPM	22%	11%	17%	18%

Timepiece Segment

By Genre

- G-SHOCK, BABY-G (Metal)
- G-SHOCK, BABY-G (Resin)
- Other than G-SHOCK, BABY-G

■ 4Q sales: 32.4 billion yen OPM : 11%
YoY ±0%、-6% in local currencies

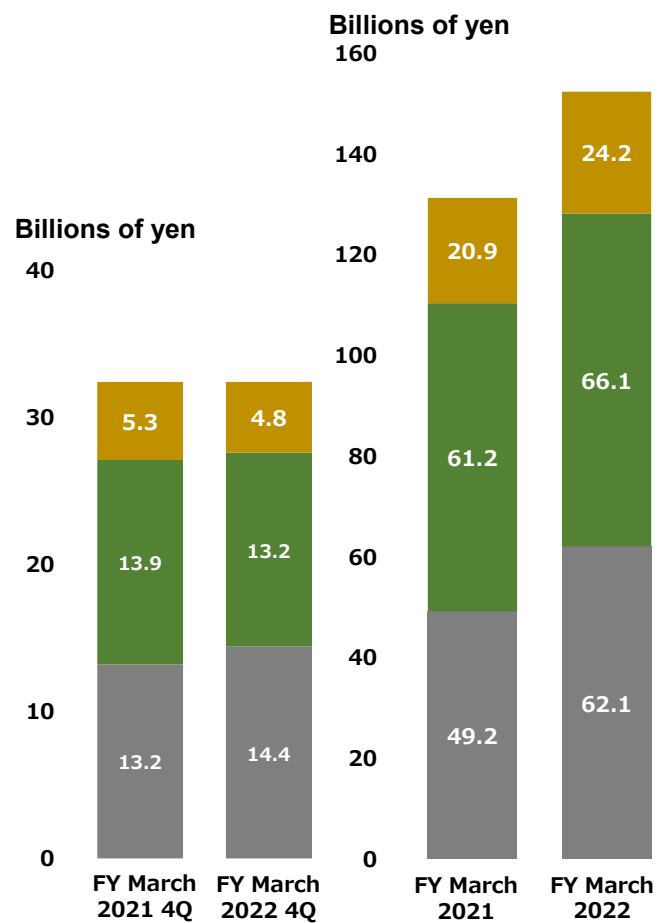
■ Although G-SHOCK sales in 4Q were impacted by China's Zero COVID policy, sales were strong in North America and Europe. Full-year sales were on a recovery trend.

G-SHOCK cumulative sales: Approx. 9.1 million units

- **GA-2100**, featuring an octagonal case remained popular, primarily in Europe and the U.S.
- Collaboration models, such as **GAE-2100RC** (Rubik's Cube collaboration), were popular, primarily among young people, contributing to sales expansion among young people and new users.
- Mid-sized models **GMA-S120MF** and **GMA-S2100** were a hit, primarily in North America, successfully increasing women users.
- Sales of BLE* compatible models that can connect with a smartphone and use time correction & life log data, such as **GBD-H1000**, were strong, primarily in North America and China. *Bluetooth® Low Energy
- Sales of the new **MRG-B5000**, which has adopted the square design of the first G-SHOCK, now in the flagship MR-G line, and the **MRG-B2000** from that same line were also strong in Japan.

■ Products other than G-SHOCK showed a recovery trend from last year's significant decline

- Freshman demand in Japan was weak due to the impact of COVID-19
- OCEANUS sales remained strong, led by **OCW-T200S**.
- EDIFICE sales remained strong in Europe and other regions.
- In Europe and other regions, sales of the retro-design **Vintage Series** were strong.



Timepiece Segment

Overview by region (YoY in local currencies)

Overall: YoY 4Q -6%, full-year +10%

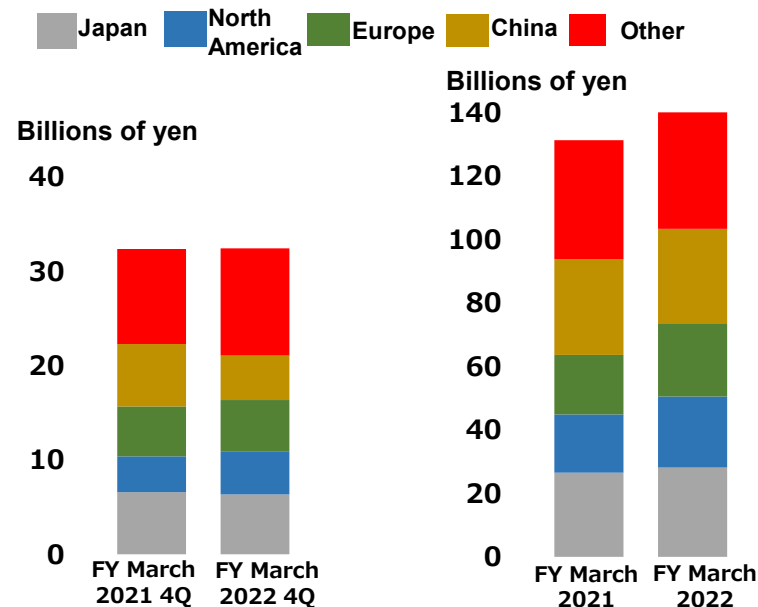
- Japan (YoY: 4Q -4%, full-year +6%)
 - While physical stores struggled due to COVID-19, direct e-commerce grew
- North America (YoY: 4Q +10%, full-year +17%)
 - Strong sales of 2100 series, and direct e-commerce continued to perform strongly
- Europe (YoY: 4Q ±0%, full-year +17%)
 - While there were some regions with strong performance, such as strong sales of the 2100 line in France, market conditions deteriorated in 2H due to the impact of the Ukraine situation and other factors
- China (YoY: 4Q -36%, full-year -12%)
 - Disruption of living environment, including lockdowns, travel restrictions, event cancellations, and logistics delays due to renewed spread of COVID-19 reduced desire to buy non-essential goods throughout society
- Other (YoY: 4Q +3%, full-year +24%)
 - On track recovery in ASEAN, strong sales in Singapore and Indonesia thanks to effect of OMO* strategy, strengthening of exclusive stores and other factors
 - Impact on shipments due to lockdown in Shenzhen (Qianhai Bay)

Online/offline sales results

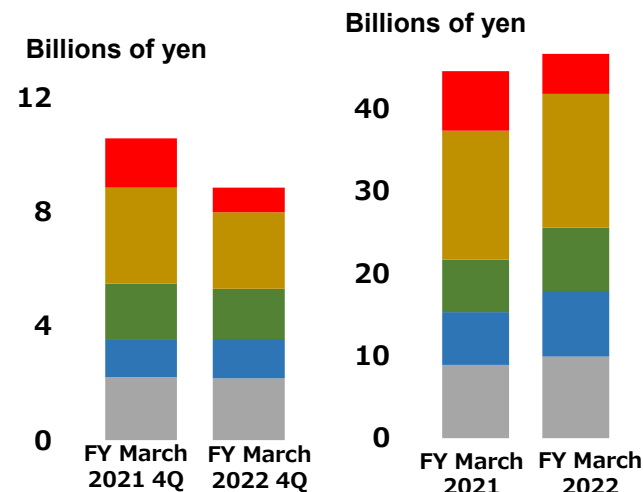
Overall: 4Q e-commerce sales percentage was approximately 30%

- China: e-commerce was slightly over 50%
- Japan, North America, Europe: e-commerce sales percentage was slightly over 30%
 - Expanded direct e-commerce sales
 - (YoY 4Q: Japan 3 times higher, North America 1.2 times higher, Europe 1.1 times higher)

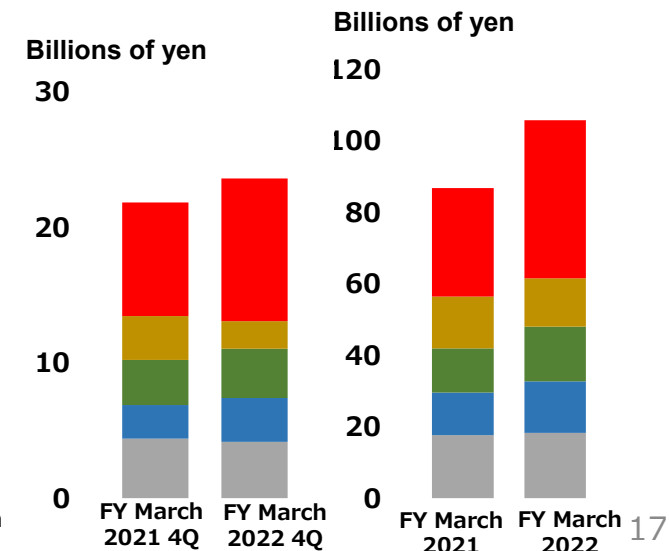
By Region



E-Commerce



Physical stores



Consumer Segment

Results for FY March 2022 4Q/full year Results

- Education**
 - Scientific calculators:** Captured demand from resumption of face-to-face classes in India/Middle and Near East although there was an impact from at-home study in Central and South America.
 - Standard calculators:** Although remote work demand remained strong, there was also an impact from COVID-19 lockdowns.
 - Electronic dictionaries:** Impact of COVID-19 continued in Japan, and there was a partial shift to education app (ClassPad.net).

Billions of yen

				Full year
	3Q	4Q	2H	
Net Sales	12.1	14.9	27.0	52.0
OPM	7%	12%	10%	8%

*4Q breakdown Net sales: Scientific/standard calculators: approx. 55%, electronic dictionaries and others: approx. 45%
 OPM: Scientific/standard calculators: approx. 12%, electronic dictionaries and others: approx. 12%



ClassWiz
FX-991EX



EX-word
XD-SX4900

Electronic musical instruments

Sales of Slim & Smart models remained strong, although the lockdown of Chinese production and shipping sites and downturn in the European market affected sales, and there was also an impact from soaring component and material prices and distribution costs.

Billions of yen

				Full year
	3Q	4Q	2H	
Net Sales	10.0	5.7	15.8	29.2
OPM	14%	-13%	4%	6%



Privia PX-S1100

System Equipment Segment

Results for FY March 2022 4Q/full year Results

- With some business negotiations frozen/postponed due to the impact of COVID-19, sales struggled at 70% of the normal pre-COVID level.
- In PA, large-scale order received (expected delivery in FY March 2023). Concentrated management resources by focusing on specific industries.
- Implementing radical structural reform, primarily in PA and CHS.



Billions of yen

				Full year
	3Q	4Q	2H	
Net Sales	2.9	3.7	6.6	13.3
Operating Profit	-0.9	-0.4	-1.3	-2.3

Strategies by Business for the Current Fiscal Year and Beyond

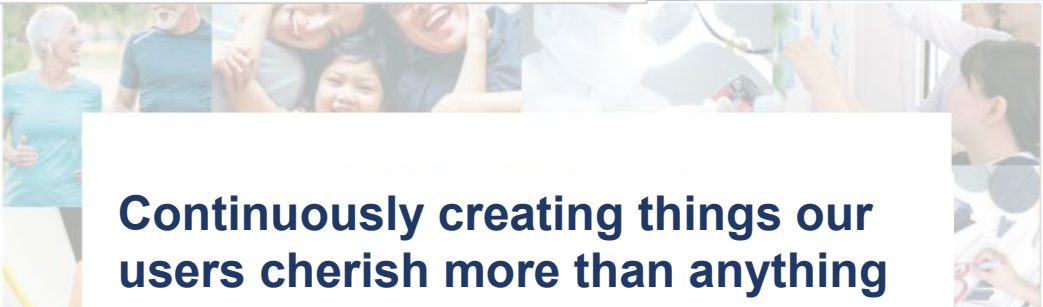
Initiatives for Medium- to Long-Term Growth

New CASIO C30 Project — Aiming to maximize corporate value in FY March 2031

Build a medium- to long-term growth strategy and raise the level of onsite execution capabilities

In a rapidly changing business environment, a medium-term strategy that lasts around three years will inevitably trail behind the changes. Casio will set the corporate direction for a ten-year span, starting with what makes our company's existence valuable, and formulate a radical growth strategy by backcasting from the vision endpoint. We will achieve dynamic allocation of investment and resources based on a medium- to long-term strategy.

What Makes Our Company's Existence Valuable



Continuously creating things our users cherish more than anything

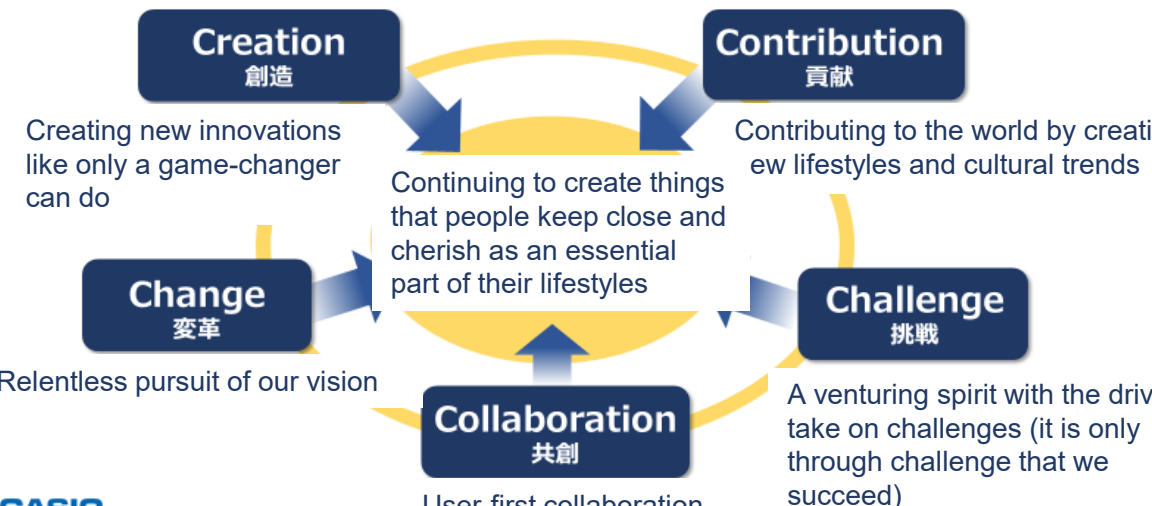
Our mission in the world is to continue contributing to people's lives. We aspire to keep creating things that people embrace as an essential part of their diverse lifestyles, that they always keep close, and that only grow in value to become cherished possessions.

Rather than only creating products, we have contributed to the world by creating new value and cultural trends.

CASIO

The Values We Cherish

Contributing to the world by creating new value and cultural trends [5C]



Creation 創造
Creating new innovations like only a game-changer can do

Contribution 貢献
Contributing to the world by creating new lifestyles and cultural trends

Challenge 挑戦
A venturing spirit with the drive to take on challenges (it is only through challenge that we succeed)

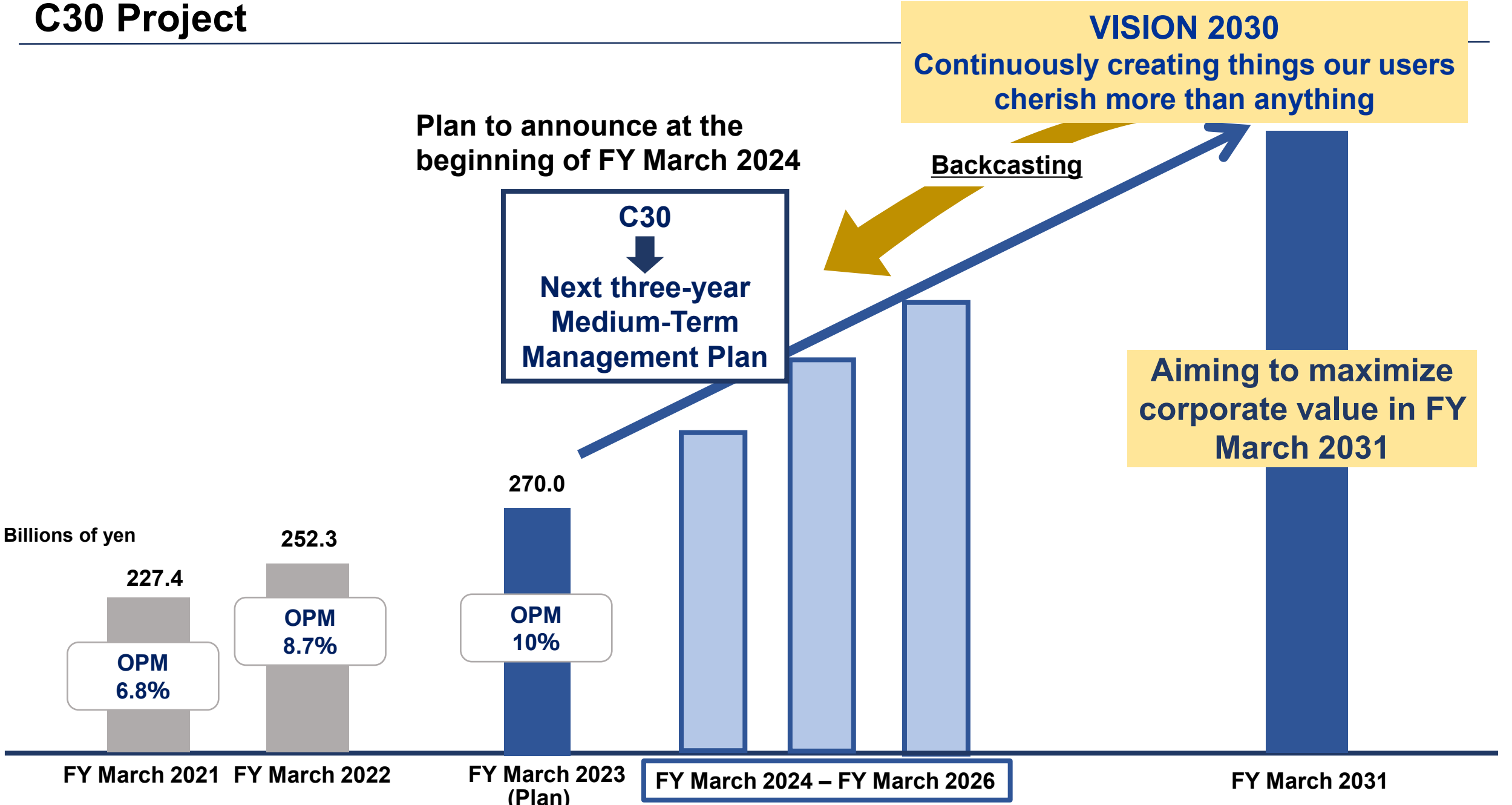
Collaboration 共創
User-first collaboration

Change 変革
Relentless pursuit of our vision

Continuing to create things that people keep close and cherish as an essential part of their lifestyles

CASIO

C30 Project



*The interim goals for FY March 2024 are also under review.

Focus Points of Activities for C30 Project

Accelerate growth of strong businesses (core businesses)

Timepiece / Education / Electronic Musical Instruments

Expand business domains and scale through aggressive investment, and increase profitability

- Timepiece: Expand loyal customers and create new domains leveraging G-SHOCK brand
- Education: Continue expansion of hardware business and establish unique position in software business
- EMI: Expand sound-based, hobbyist/personal needs domain and create new genres

Accelerate growth through aggressive investment

Reconstruct businesses with issues

Systems Equipment / New Businesses

Transform into growth businesses with selection and concentration on focus areas and strong growth strategy

- Select and concentrate on areas where growth and evolution are achievable
- Strengthen stage gate management (add budget and personnel and provide support for clearing each gate)
- Set maximum limit for investment (reduce company-wide adjustments from ¥10.0 billion in previous fiscal year to ¥8.0 billion)

Balanced investment in high growth areas

Investment priorities

Timepiece Business

FY March 2023 Forecasts

Billions of yen

			Full year
	1H	2H	
Net sales	75.0	83.0	158.0
OPM	17%	21%	19%

G-SHOCK brand share of sales

FY March 2022 (Result)	FY March 2023 (Goal)
59%	Over 60%

Direct e-commerce ratio

FY March 2022 (Result)	FY March 2023 (Goal)
4% (1H 4%, 2H 5%)	6%

G-SHOCK expansion strategy

- Brand extension strategy
- Masterpiece strategy
- Bluetooth® strategy

Global marketing strategy (strengthen One-to-One marketing)

- Strengthen directly managed business (direct e-commerce/directly managed stores)/connection with loyal customers
- Implement medium- to long-term strategy based on growth potential of each area

G-SHOCK 40th Anniversary

- Hold events highlighting products in partnership with leading retailers, collaborators, and the media
- Global rollout of special website (video, etc., showing past models, history of evolution, development stories, and impact of durability)

Timepiece Business

G-SHOCK Expansion Strategy

Brand Extension Strategy

- Revitalize G-SHOCK brand by appealing to youth/women
Increase percentage of G-SHOCK sales to women in North America and China
- Step up G-SHOCK brand by strengthening premium lines **MR-G unit price up over 10% in 4Q (YoY)**
- Expand in scale through sports lifestyle G-SHOCK **Extend line up of models with lifelog function**
- New challenge: **Develop high value-added technology (environmentally friendly) that increases the brand's social value**



GMA-S2100



MR-G
MRG-B5000



G-SQUAD
GBD-H1000

Masterpiece Strategy

A strong brand with masterpiece products

- Steadily and continuously expand sales and strengthen brand by creating masterpiece products
- **Add more models to the 5600 line, which inherits the square shape of the first model, and the globally-popular octagonal 2100 line, by using more advanced materials and functions**



G-5600UE



GA-B2100

Bluetooth® Strategy

- Expand BLE* models (smartphone connected models), which are in high demand in surveys of major countries
*Bluetooth® Low Energy
- Make global appeal about **“time correction anywhere in the world”** and **“link with lifelog data, including step count & heart rate”**

Timepiece Business

Global Marketing Strategy (Strengthen One-to-One Marketing)

Strengthen direct e-commerce and directly managed stores/connection with loyal customers

OMO* strategy based on direct e-commerce × directly managed stores *Online Merges with Offline

- Provide value that is unique to directly-managed stores through OMO strategy based on direct e-commerce × directly managed stores
- Visualize loyal users in each region

Hold online exhibitions of new timepiece products

Quarterly online global exhibitions of new timepiece products

- Simultaneous worldwide distribution of information, including new product information and developer interviews, to retailers/media representatives

Provide places and systems for delivering brand communication to customers and providing good quality experiences

- Improve customer satisfaction by enhancing the quality of customer service through collaboration between CASIO ID and real stores
- Provide special experiences through unique programs for CASIO ID members

CASIO ID registered people
and E-mail subscribers

~FY2021

2.42 million

FY2022

4.14 million

FY2024 target

10 million



Direct e-commerce



Directly-managed store

Implement medium- to long-term strategy based on growth potential of each region

Develop detailed marketing mix optimized for unique market conditions to maximize business while maintaining brand consistency

- China: Accelerate leap forward in recovery period through redevelopment of infrastructure
- Europe and U.S.: Strengthen data-driven marketing / steadily grow by expanding directly managed business
- ASEAN: Strengthen and streamline local systems with Singapore as the regional headquarters site

Education Business

Continue Contributing to Global Education by Providing Products (Hardware and Software) for a Variety of Specific Educational Environments

FY March 2023 Forecasts	Billions of yen		
	1H	2H	Full year
Net sales	29.0	29.0	58.0
OPM	9%	9%	9%

Scientific calculators

FY March 2022 (Result)	FY March 2023 (Goal)
17.8 million	23.8 million

Electronic dictionaries

FY March 2022 (Result)	FY March 2023 (Goal)
550,000	520,000

No. of ClassPad.net accounts

FY March 2022 (Result)	FY March 2023 (Goal)
16,000	Approx. 200,000

Sustainable and stable hardware business

Scientific calculators

- Plan staged shipment of new model of scientific calculator (New ClassWiz) to each country starting this fiscal year
- Expand network of teachers giving recommendations

Digitize “connection with teachers” to secure continuous demand and accelerate ripple effect around teachers giving recommendations

- Expand focus area (ASEAN)

Promote **EDU-Port project*** with local education stakeholders to contribute to education and create demand, primarily in **Indonesia and Thailand**

*EDU-Port: A project to support development of Japanese-style education overseas promoted by Japan's Ministry of Education, Culture, Sports, Science and Technology



Electronic dictionaries

- Introduce strategic models for each school circumstance (customized models)

Develop new e-education market by leveraging strengths (software)

ClassPad.net online comprehensive learning platform that supports Japanese GIGA school project

■ Support for six high school subjects

Over 600 schools adopted limited functionality beta version ⇒ Over 260 schools adopted commercial version this spring (total for designated and recommended schools)

Semiconductor shortages have delayed introduction of tablets to high schools, and we will promote switchover to the commercial version at schools using the beta version as tablets are introduced in the future.

- Also started providing content for elementary and junior high and university students (April 2022)
- Started providing ClassPad.net for Lenovo

Example of ClassPad.net adoption

Conclusion of Agreement on Providing Support for Digital Learning in Prefectural Schools with Kochi Prefecture Board of Education (April 28)

Use of ClassPad.net in some prefectural senior and junior high schools

(7 prefectural high schools and 4 affiliated junior high schools)

Practice of ICT utilization with ClassPad.net / verify results based on practice of ICT utilization



- Dictionary function **EX-word**
- Math learning tool
- Digital notes function
- Lesson support function

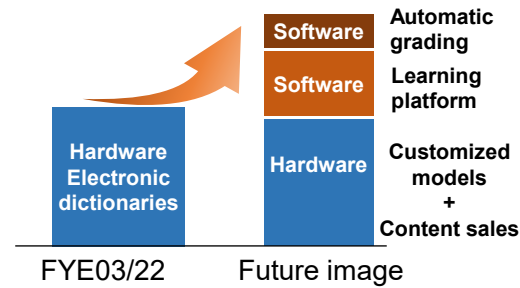


Signing ceremony with the Kochi Prefecture Governor and Superintendent of Education

Education Business (System Diagram)

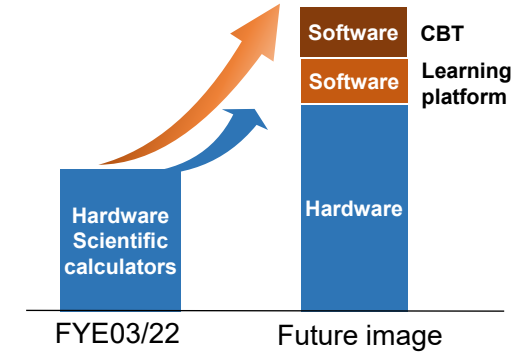
Japan

Expand through total of hardware + (contents) + software



Overseas

Expand hardware growth potential with new channel development + software



Hardware

Electronic dictionaries

- Introduce customized models to match needs
- Expand additional downloadable content



Scientific calculators

- Recovery in sales with resumption of face-to-face lessons
- Create new demand by strengthening GAKUHAN activities, mainly in emerging countries in Asia (testing approval/acceleration of dissemination)



Software

Learning platform

- **Comprehensive learning platform** that supports six subjects for high school GIGA school project
- Began providing **ClassPad.net**
- Stated providing content for elementary and junior high schools and universities



Learning platform

- Start with support for German version of GIGA school project (Math: roll out calculation tools + e-learning)
- Plan to expand worldwide in the future
- Plan to expand **comprehensive learning platform ClassPad.net** in the future

ClassPad.net
(calculation/graphing tools)
+
ClassPad.learning
(math learning contents)

Software

Automatic grading business

- Provide automatic grading engine for test providers
- Proof of concept conducted at two companies

Promote business in CBT*/digital textbook support

- U.S.: Create questions for proficiency tests/internal tests, and provide automatic grading engine
 - Plan to expand to countries other than U.S. in the future
- *Computer Based Testing

Electronic Musical Instrument Business

Strengthen brand/business structure by continuing Slim & Smart strategy

FY March 2023 Forecasts

Billions of yen

	FY March 2023 Forecasts		Full year
	1H	2H	
Net sales	13.5	15.5	29.0
OPM	-7%	6%	0%

Slim & Smart percentage of sales

FY March 2022 (Result)	FY March 2023 (Goal)
51%	Over 60%



Reveal latent “hobbyist/personal needs” market focusing on Slim & Smart models

- Strengthen Slim & Smart product lineup
 - Launch new concept model with evolved performance, design, and ways to enjoy music to create further demand (Sept. 2022)

Strengthen communication with users

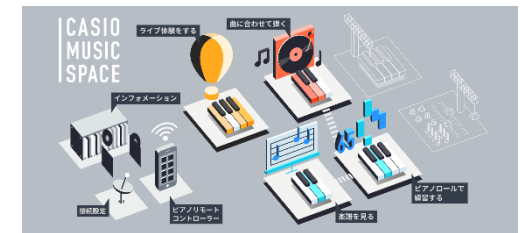
Provide ways for each unique individual user to enjoy music

- **CASIO MUSIC SPACE:** Provides ways for each unique individual to enjoy music, such as lessons for improving skills with a “learn as you play” approach and simulated live performance experiences
- Propose lifestyle and strengthen quality appeal using influencers and brand ambassadors

Distribution strategy

- Strengthen relationship with specialized distribution (musical instrument store distribution) and develop new distribution channels
- Strengthen e-commerce (direct e-commerce/specialized distribution e-commerce)

Bluetooth adapter



Brand ambassador
Hayato Sumino

A semi-finalist in the 18th International Chopin Piano Competition (October 2021), Hayato Sumino is a pianist with success across a number of genres while building a solid track record in classical music.



System Equipment Business (Excluding new businesses)

Build Toward Stable Profit by Solving Customers' Challenges to Develop Win-Win Relationships

FY March 2023 Forecasts

Billions of yen

			Full year
	1H	2H	
Net sales	8.5	8.5	17.0
OPM	0%	0%	0%

PA (handheld terminals)

- Focus on productivity improvement solutions for essential workers in transportation, logistics, and medical care, etc.
- **Large-scale customer order received in previous fiscal year will be delivered in phases starting this autumn**

SA (electronic cash registers)

- Support shopping-district DX and regional revitalization by providing digitalized services with a focus on settlements
- **Began providing EZ Net registers and cashless services, and shopping-district packaged services at start of current fiscal year**
- Aim to provide comprehensive platform linking shopping districts with consumers

CHS (human resources solutions business)

SMB (management support for small-scale enterprises business)

- In addition to stable profitability, increase in demand due to changes to environment from COVID-19 pandemic leading to recovery in orders received (workstyle reform and personnel system revision, support for invoicing systems)
- **Launch renewed human resources management system this fiscal year to address issues arising from changes in the environment due to COVID-19. Aim for further business expansion and stabilization of profits.**



商品別/日別など
多様な集計・分析が可能

売れ筋商品の確認や、日を追っての売上推移など、
見たい情報がすぐに引き出せます。



New Businesses

Imaging

Provide modules to facilitate use of endpoint AI

- IoT&5G Expo Exhibit sample endpoint AI camera module in booth of Ryosan Company, Limited
- **Developing endpoint compact facial recognition units (mass production planned in FY March 2023)**



Projection

Provide LH-200 bright compact projection module

- Launched sales of augmented reality (AR) embedded projection module LH-200 (September 2021)
- Exhibited at NEPCON Japan (Jan. 2022) and engaged in many business negotiations, mainly for factory and facility guides

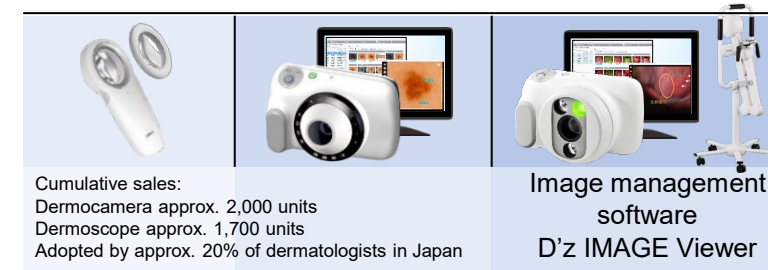
Smart home Smart building Smart factory



Medical

From development of medical cameras to provision of image processing and diagnostic support services for doctors

- Dermocamera and dermoscope for dermatology: **Launched sales in Australia (Feb. 2021) and U.S. (Mar. 2022)**, plans to launch in Europe and Taiwan (Aug. 2022), plans to launch dermatology AI diagnostic support services (from spring 2023)
- **Launched sales of Colpocamera for obstetrics and gynecology in Japan (Mar. 2022)**, plan to launch overseas (this fiscal year)



Cumulative sales:
 Dermocamera approx. 2,000 units
 Dermoscope approx. 1,700 units
 Adopted by approx. 20% of dermatologists in Japan

Image management software
 D'z IMAGE Viewer

Beauty Tech

Provide a beauty experience that caters to each individual

- Decision on commercialization based on results of PoC underway
- **Services for San Rio fans are being renewed and prepared for small start (summer 2022)**



Considering nail printer commercialization



Nail print service at San Rio
 Puroland renewed and prepared for opening

Sport & Health

Your own “smartphone personal coach” for running and walking

- Runmetrix coaching service for runners: Accelerating initiatives at both companies for overseas rollout
- Walkmetrix service for walkers: Achieved 100,000 downloads of app in Japan in March 2022
Considering development for companies and local governments against backdrop of growing market for health solutions



Runmetrix

2021 January: Started providing Runmetrix in Japan
March: Started providing Motion Sensor in Japan



Motion sensor
(CMT-S20R-AS)

Provided to runners participating in World Athletics official races

- World Athletics official race META: Time: Trials (sponsor: ASICS) held in Malaga, Spain on April 24, 2022.
- Many ASICS contract athletes from around the world participated.
- **27 athletes set personal records, including four national records.**
- Provided Runmetrix and Motion sensor (CMT-S20R-AS) to over 20 top athletes and influencers.

Appeal to runners around the world through collaboration with ASICS

Interviews with athletes and coaches and accumulation of data

Increase awareness and verify value with a view to overseas expansion

META : Time : Trials



Images: Courtesy of ASICS CORPORATION ©albindurand

Environmental Initiatives

Initiatives designed to help build a decarbonized society based on Casio's Basic Policies on the Environment

■ Replaced power at six sites in Japan, including head office and the two R&D centers, with 100% renewable energy

As a result, we expect a reduction of 45% (from FY March 2021 results) in GHG emissions in Japan (Scope 1 + 2). Will also pursue introduction of 100% renewable energy to meet our greenhouse gas reduction target* for FY March 2031.

■ Greenhouse gas reduction targets validated by SBTi

Casio has also endorsed the TCFD recommendations and is disclosing information accordingly

SBTi: Greenhouse gas reduction targets aligned with level required by Paris Agreement

TCFD: International initiative requiring assessment and disclosure of financial impact of risks and opportunities posed by climate change



■ Joined RE100, an international initiative to replace power used in business activities with 100% renewable energy



*Casio's greenhouse gas reduction targets

- 38% reduction by FY March 2031, compared to FY March 2019, and net zero by FY March 2051 (Scope 1 + 2)
- 30% reduction in CO2 emissions from purchased goods and services and use of sold products by FY March 2031, compared to FY March 2019 (Scope 3)

Reference: Inclusion in ESG indexes

- FTSE4 Good Index (included for five straight years)
- MSCI WORLD ESG Leaders Index (included for eleven straight years)

- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index (new)
- MSCI Japan Empowering Women (WIN) Index
- S&P/JPX Carbon Efficient Index

Impact of Foreign Exchange Rate Fluctuations

FOREX Sensitivity: FY March 2023 (Major currencies)

U.S. Dollar
Euro
Chinese Yuan

Assumed yearly exchange rate

¥120
¥132
¥19.0

Yearly impact of one yen fluctuations RMB impact of ¥0.1 move

Net sales	Operating profit
¥1.0 billion	-¥0.05 billion
¥0.30 billion	¥0.20 billion
¥0.18 billion	¥0.12 billion

Actual Exchange Rate: FY March 2022 (YoY)

U.S. Dollar
Euro
Chinese Yuan

4Q

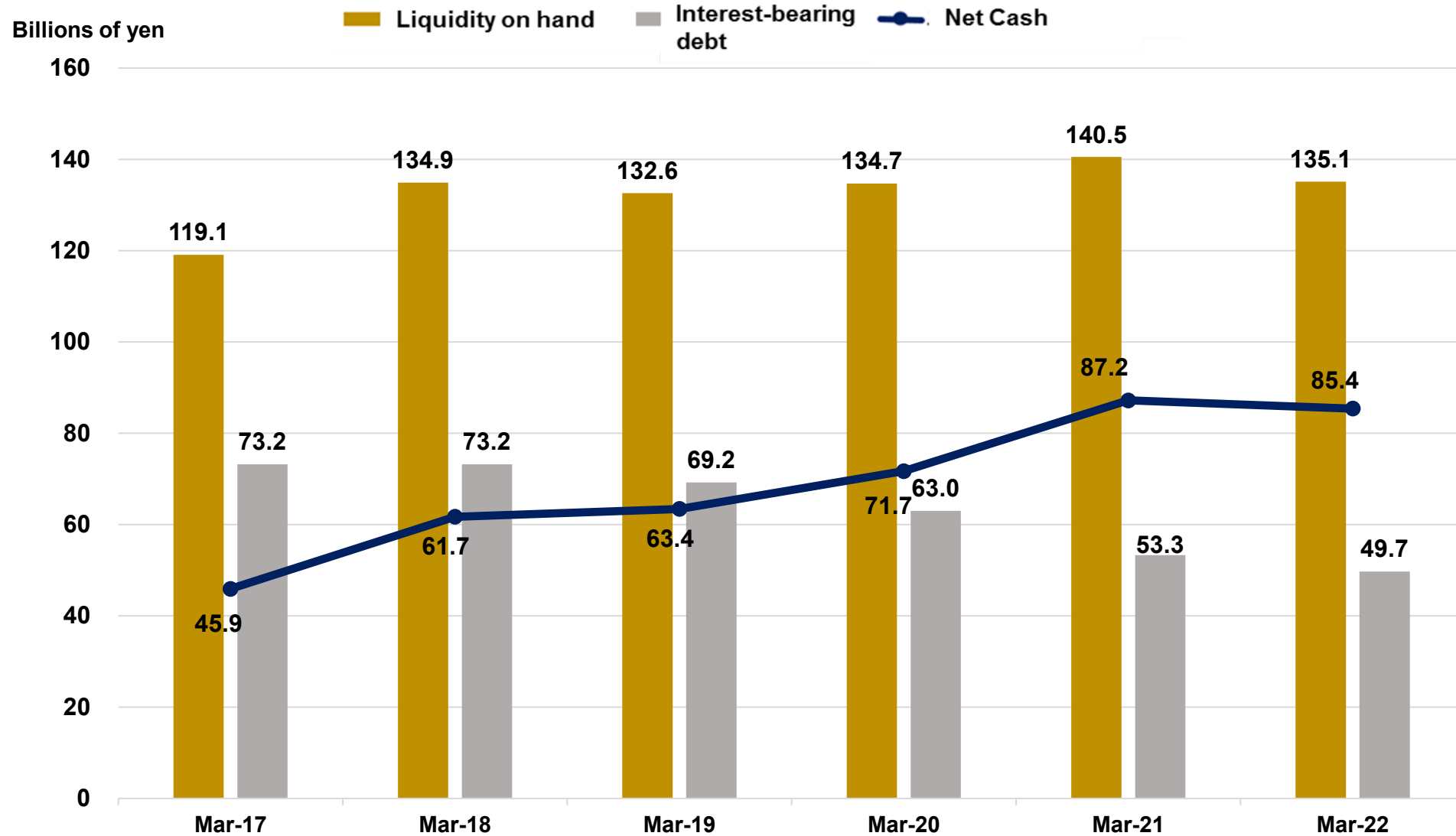
¥116.2 (+¥10.3)
¥130.4 (+¥2.7)
¥18.3 (+¥1.9)

Full year

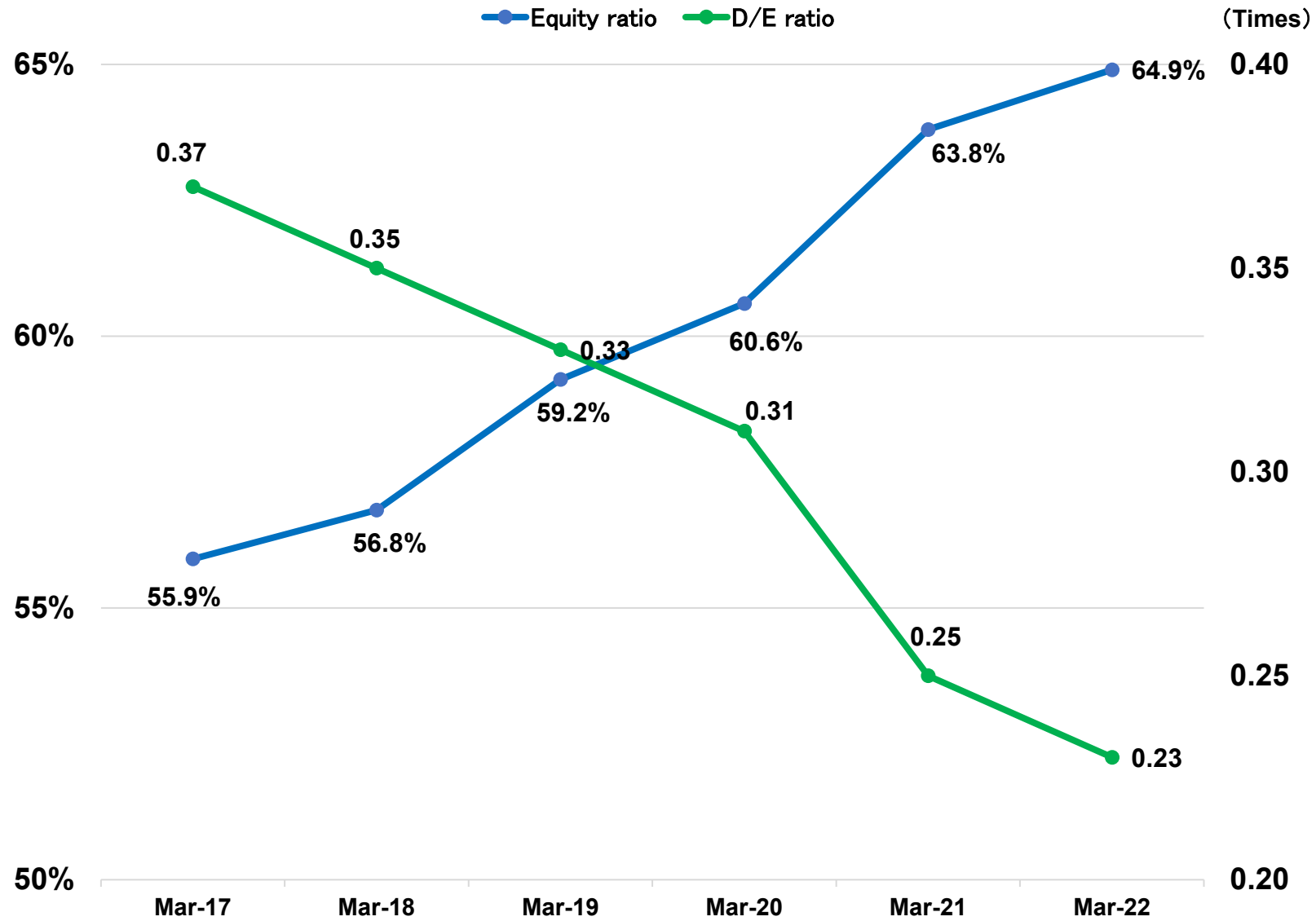
¥112.4 (+¥6.3)
¥130.6 (+¥6.9)
¥17.5 (+¥1.8)

Financial Condition

■ Liquidity on hand / Interest-bearing debt / Net cash



Equity ratio / D/E ratio



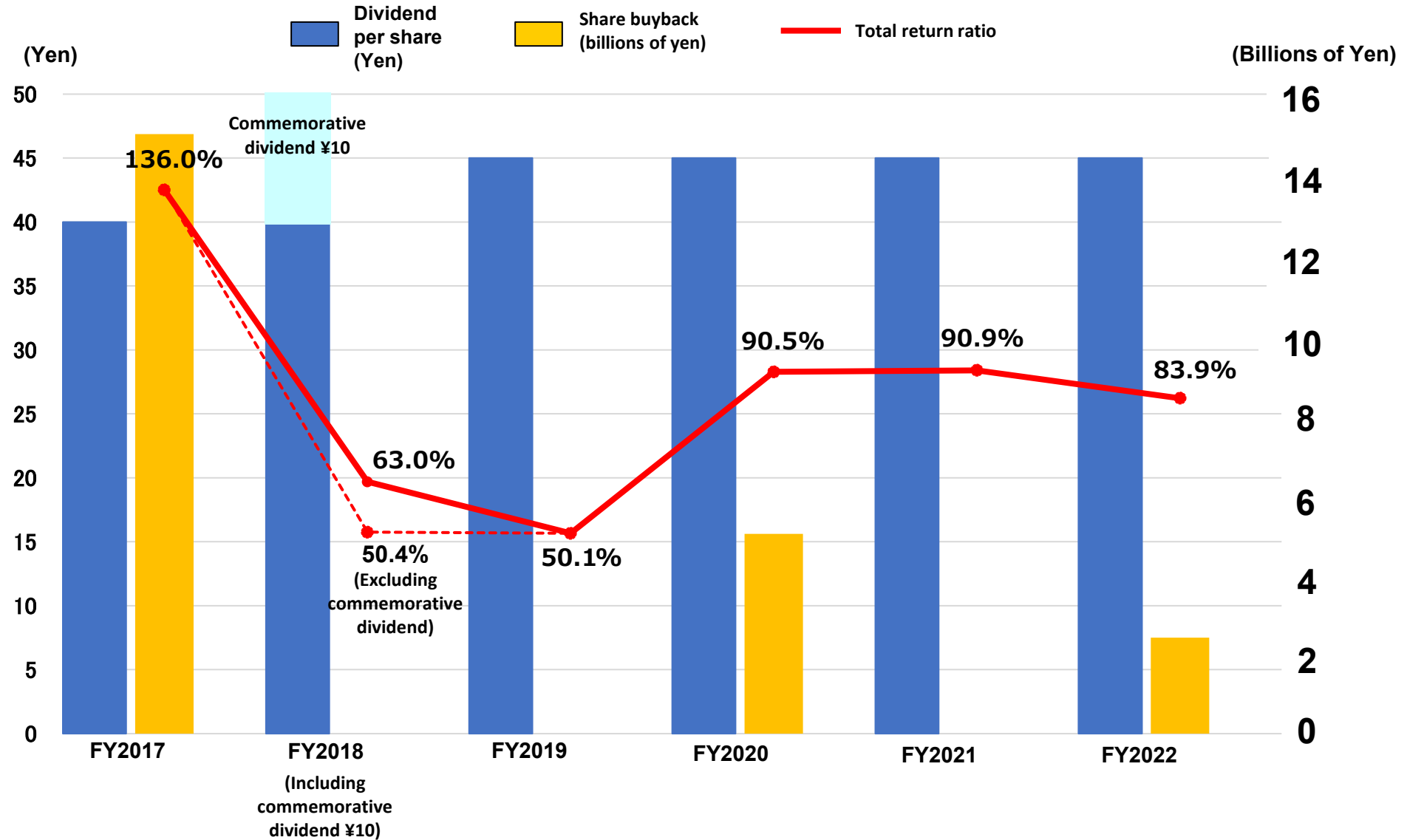
■ Pension finance

▪ Pension finance maintains excess reserves (fiscal consolidation)

Billions of yen

	March 2018	March 2019	March 2020	March 2021	March 2022
Pension assets	68.4	65.2	60.0	66.4	64.8
Retirement benefit obligation (A)	55.7	54.3	53.2	51.8	49.6
Amount of excess reserves (B)	+12.7	+10.8	+6.8	+14.6	+15.2
Excess rate (B ÷ A)	+23%	+20%	+13%	+28%	+31%
Average of 28 electronics and machinery companies	-26%	-25%	-28%	-21%	—

■ Dividend per share / share buyback / total return ratio



CASIO