



Third Quarter Results Briefing for Year Ending March 31, 2017

February 1, 2017

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.

FY2017 Third Quarter Results Highlights

(billions of yen)

Consolidated	FY16/3Q	FY17/3Q	YOY change
Net sales	87.8	75.9	86%
Operating income	11.8	6.9	58%
OPM	13.5%	9.1%	
Ordinary income	11.6	6.5	56%
Net income	9.4	4.2	45%
EPS	¥35.96	¥16.73	

FY16/1-3Q	FY17/1-3Q	YOY change
261.8	232.6	89%
33.5	20.4	61%
12.8%	8.8%	
33.3	14.7	44%
24.8	10.6	43%
¥94.94	¥41.64	

Net Sales and Operating Income by Segment

(billions of yen)

Net Sales	FY16/3Q	FY17/3Q	YOY change
Consumer	76.9	65.2	85%
System equipment	8.6	8.6	100%
Others	2.3	2.1	91%
TOTAL	87.8	75.9	86%

FY16/1-3Q	FY17/1-3Q	YOY change
225.8	198.2	88%
29.6	27.8	94%
6.4	6.5	101%
261.8	232.6	89%

Operating income	FY16/3Q	FY17/3Q	YOY change
Consumer	14.0	8.6	62%
System equipment	(1.2)	(0.8)	-
Others	0.1	0.1	-
Adjustment	(1.0)	(1.1)	-
TOTAL	11.8	6.9	58%

38.9	25.7	66%
(2.1)	(2.2)	-
(0.1)	0.3	-
(3.2)	(3.4)	-
33.5	20.4	61%

Impact of Foreign Exchange Rate Fluctuations

FOREX Sensitivity (Major currencies)

US Dollar
Euro
Renminbi

Assumed exchange rate (for current FY)
¥108.20
¥118.00
¥16.00

Yearly impact of one yen fluctuation	
Net sales	Operating income
¥ 1.0 billion	—(※1)
¥ 0.35 billion	¥ 0.25 billion
¥ 1.8 billion	¥ 1.2 billion

※1 Impact of dollar-yen fluctuation is minimal as exports and imports are nearly in equilibrium

Actual Exchange Rate (YOY)

US Dollar
Euro
Renminbi

FY17/1st Half
¥ 105.30 (¥ -16.50)
¥ 118.20 (¥ -16.90)
¥ 15.90 (¥ -3.50)

FY17/3Q
¥ 109.30 (¥ -12.20)
¥ 117.80 (¥ -15.20)
¥ 16.00 (¥ -3.00)

FOREX Impact (Y on Y) (including other currencies)

Net sales
Operating income

FY17/1st Half
¥ ⊖1.5billion
¥ ⊖7.0billion

FY17/3Q
¥ ⊖6.0billion
¥ ⊖2.5billion

Third Quarter Summary

Timepieces Net sales : 46.3 billion yen

- Maintain strong sales and in line with forecasts
- Sales increased 7% YOY in local currencies, OPM 21%

Education Products Net sales : 14.5 billion yen

< Calculator / Electronic dictionary > Net sales: 75% of Education Products
(Calculator 50%, Electronic dictionary 25%)

- Calculators maintain strong sales and in line with forecasts
- Sales increased 6% YOY in local currencies, OPM 15%

< Electronic Musical Instruments > Net sales: 25% of Education Products

- Business in transition from mass market emphasis to education market
- Production delay due to quality issues
- recovery by strengthening production base from 4Q onwards

Digital Cameras Net sales : 4.3 billion yen

- TR in China temporarily stagnated due to rise of competing products; recovery by new product launch in 4Q

FY2017 Financial Forecasts

(billions of yen)

Consolidated	FY16/4Q	FY16 Full Year	FY17/1-3Q	FY17 4Q Forecast	Y on Y	FY17 Full Year Forecast	Y on Y
Net sales	90.4	352.3	232.6	97.4	108%	330.0	94%
Operating income	8.7	42.2	20.4	10.1	116%	30.5	72%
OPM	9.6%	12.0%	8.8%	10.4%	-	9.2%	-
Ordinary income	7.7	41.1	14.7	10.8	140%	25.5	62%
Net income	6.4	31.2	10.6	7.4	115%	18.0	58%
EPS	¥24.66	¥119.72	¥41.64	¥29.76	-	¥71.06	-

	Exchange Rate Forecast for 4Q
US Dollar	¥113.00
Euro	¥118.00
Renminbi	¥16.30

Net Sales and Operating Income by Segment

(billions of yen)

Net Sales	FY16 Full Year	FY17/1-3Q	FY17 4Q Forecast	FY17 Full Year Forecast	Y on Y
Consumer	301.0	198.2	85.3	283.5	94%
System equipment	42.7	27.8	11.8	39.6	93%
Others	8.6	6.5	0.4	6.9	80%
TOTAL	352.3	232.6	97.4	330.0	94%
Operating income					
Consumer	49.0	25.7	12.4	38.1	78%
System equipment	(1.8)	(2.2)	(0.9)	(3.1)	—
Others	0.0	0.3	(0.3)	0.0	—
Adjustment	(4.9)	(3.4)	(1.1)	(4.5)	—
TOTAL	42.2	20.4	10.1	30.5	72%

- Timepieces: full-year sales to maintain the sales level in the previous FY at ¥176 billion yen, 9% sales increase in local currencies at 20% OPM
- Education products: full-year sales to decline by 8% to ¥87 billion (maintaining the same level in the previous FY in local currencies) at 6% OPM
Calculator/electronic dictionary sales to maintain the same level YOY at ¥64.3 billion (8% growth in local currencies) at 12% OPM
- Digital cameras: full-year sales to be in line with forecasts at ¥20 billion

Priority measures for 4Q Onwards

<Timepieces>

■ **Significantly expand sales of “New Generation Global Radio Controlled Watch”**

Casio proprietary technology to be mounted on all 6 brands of watches including G-SHOCK, in order to dramatically expand market share

■ **New Smart Outdoor Watch with GPS “PRO TREK Smart” to be launched early next fiscal year**

The new smart watch can be used independently without smartphone connection in remote outdoor locations thanks to embedded GPS

■ Significant sales expansion in China and developing countries

- China Great enhancement of lineup
- ASEAN Apply successful examples in Thailand to other regions
- India Double distribution channel at specialty and department stores

■ Global promotion

- "Shock The World" 2nd campaign worldwide
- Appeal the new "Casio Connected" watches through promotions at airports and BaselWorld
- Strengthen Internet branding (utilizing movies and disseminating through social media)

■ Expand sports retail distribution channel for Smart Outdoor Watch

< Education Products >

Expand students market

■ Scientific calculators

- Strengthen efforts to develop school sales channels in low-penetration areas (Latin America, ASEAN, Africa)

Develop new education market for adults

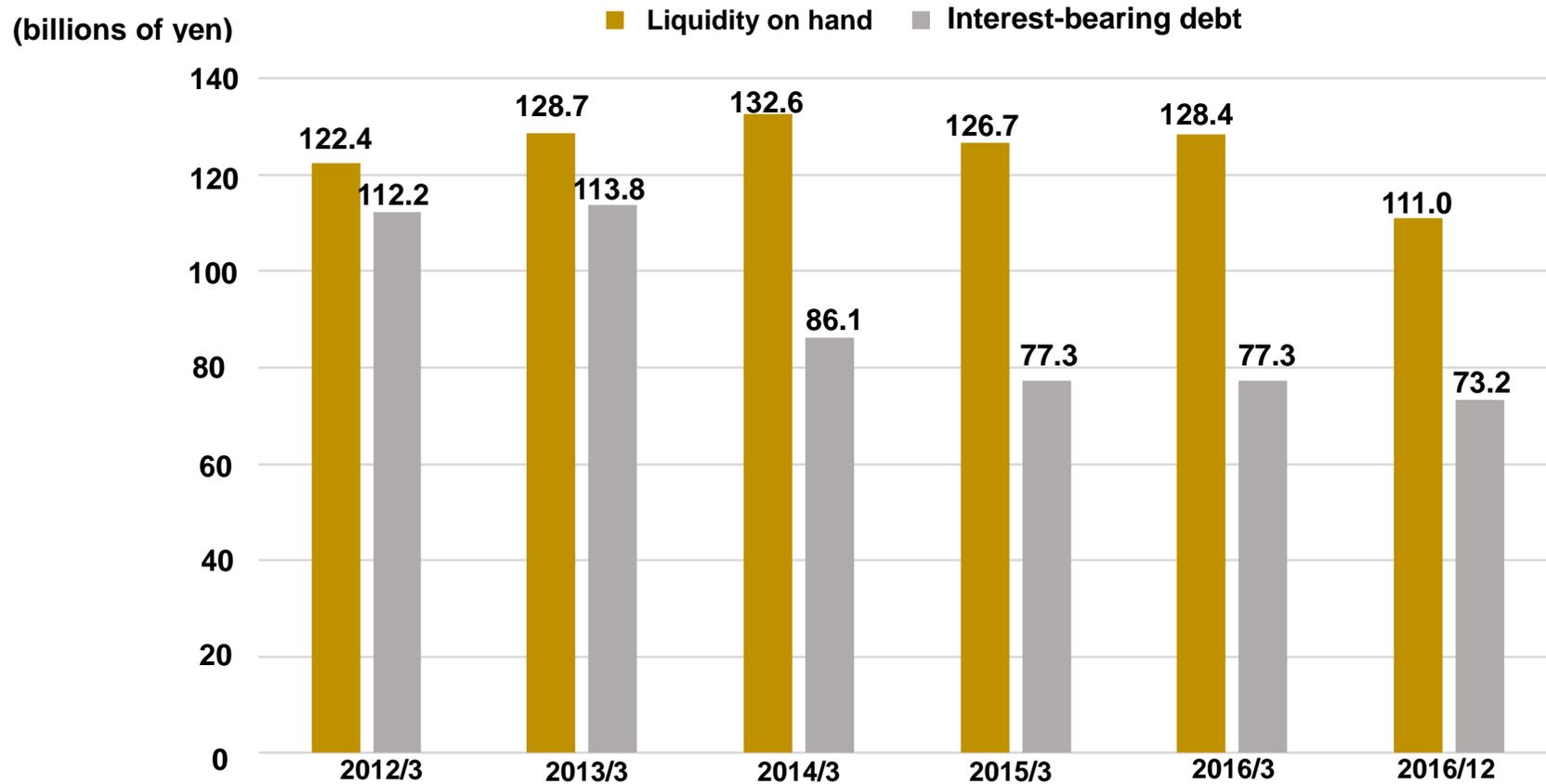
■ English conversation learning tools

- New product from EX-word RISE
- Lesson Pod (totally new interactive learning device)
- Expand corporate demand for learning device for “Hospitality English Proficiency Test”

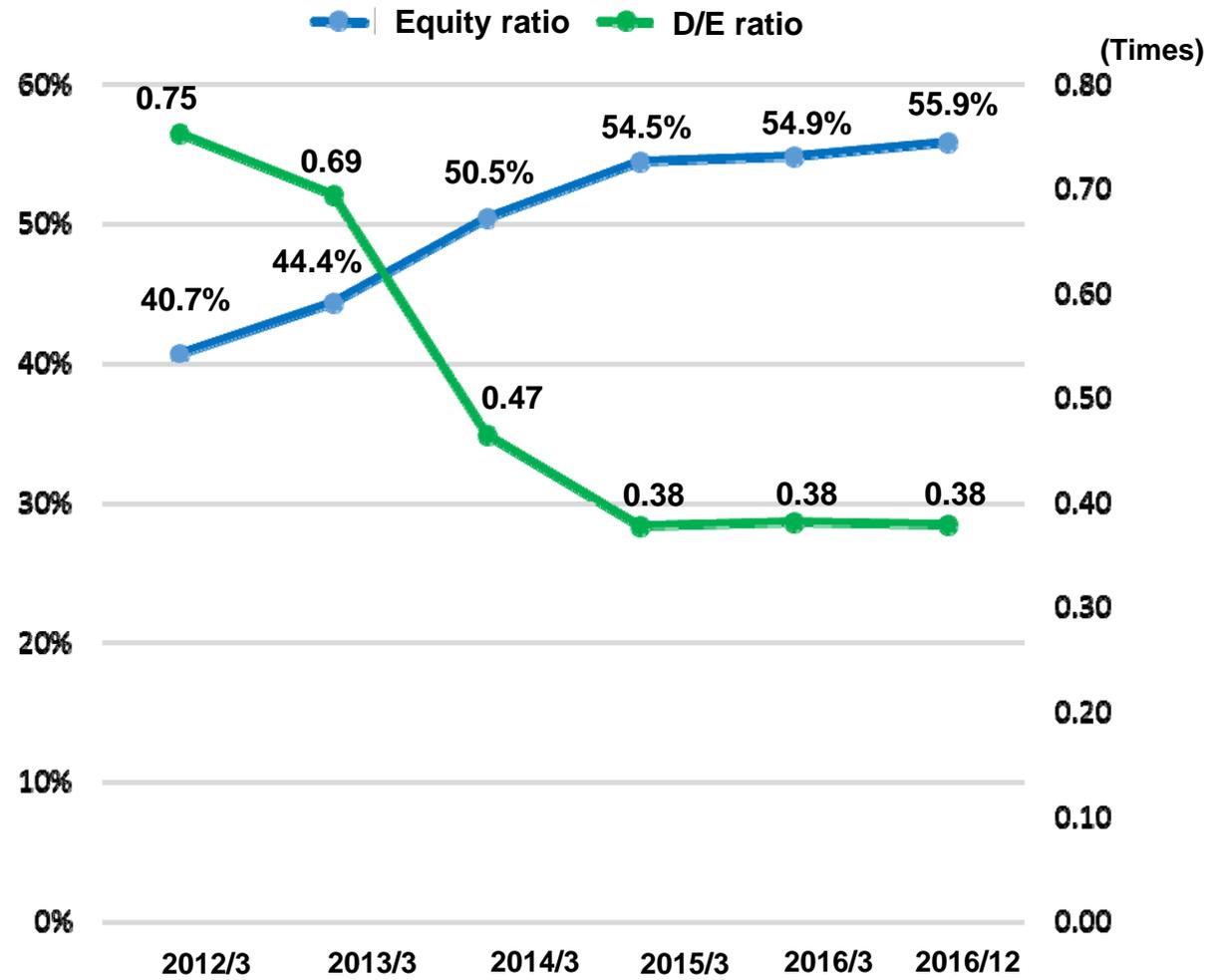


Financial Condition

■ Liquidity on hand - Interest-bearing debt



Equity ratio · D/E ratio

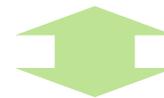


■ Pension Finance

- Pension finance maintains excess reserves (fiscal consolidation)

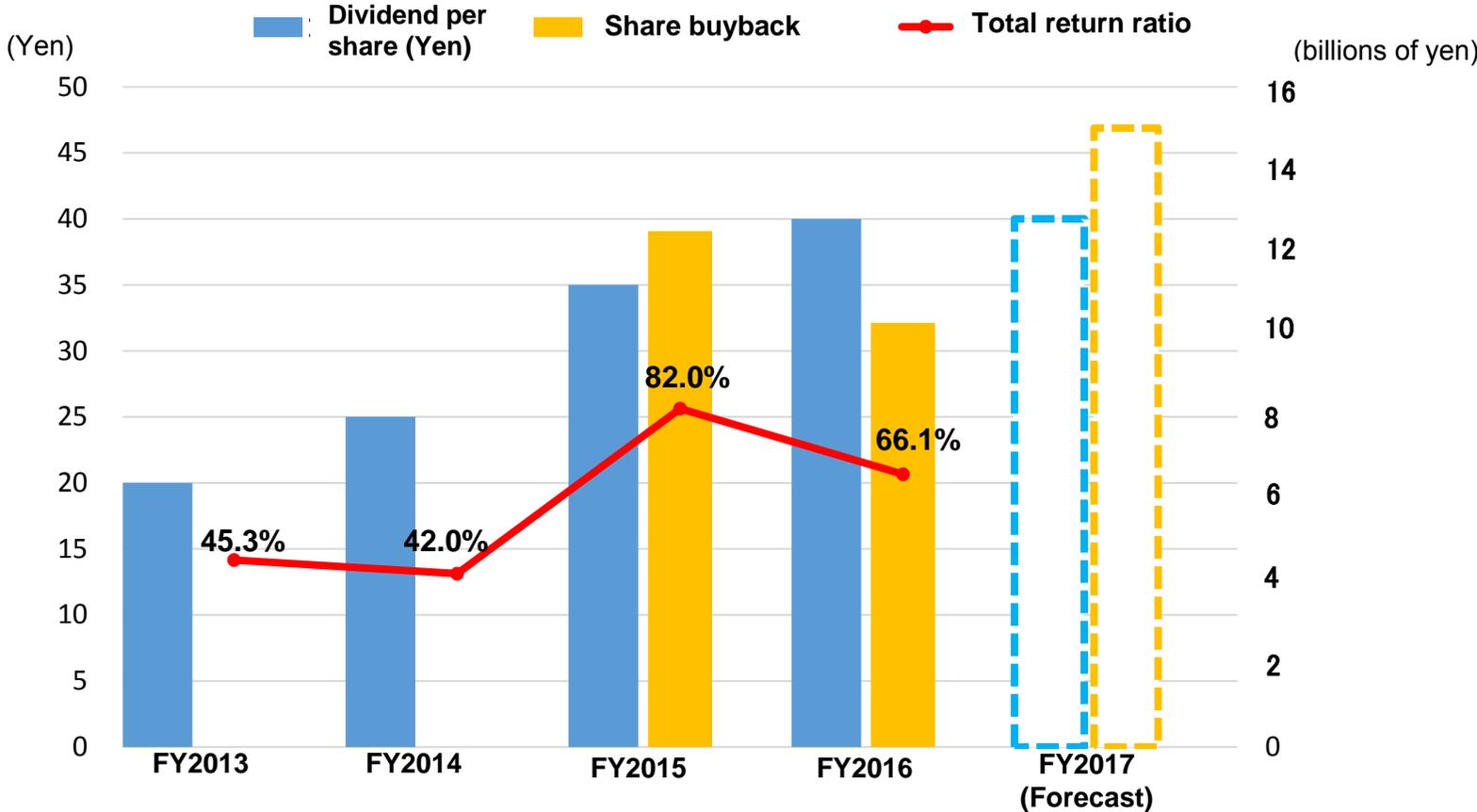
(billions of yen)

	2015/3	2016/3	2016/12
Pension assets	71.4	65.3	69.3
Retirement benefit obligation (A)	58.5	57.6	59.3
Amount of excess reserves (B)	+12.9	+7.8	+9.9
Excess rate (B ÷ A)	+22%	+14%	+17%



Average of 30
electronics and
machinery companies is
⊖ 30%

■ Dividend per share · Share buyback · Total return ratio



END