



Third Quarter Results Briefing for Year Ending March 31, 2018

February 1, 2018

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.

FY2018 Third Quarter Results Highlight

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(billions of yen)

Consolidated	FY17/3Q	FY18/3Q	YOY Change	FY17/ 1-3Q	FY18/ 1-3Q	YOY Change
Net Sales	75.9	77.9	103%	232.6	231.5	100%
Operating income	6.9	7.1	103%	20.4	21.7	107%
OPM	9.1%	9.1%		8.8%	9.4%	
Ordinary income	6.5	7.0	108%	14.7	20.7	140%
Net income	4.2	4.8	114%	10.6	14.8	139%
EPS(Yen)	16.73	19.66		41.64	60.07	

Net Sales and Operating Income by Segment

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(billions of yen)

Net Sales	FY17/3Q	FY18/3Q	YOY Change	FY17/ 1-3Q	FY18/ 1-3Q	YOY Change
	Consumer	65.2	66.8	102%	198.2	197.4
System equipment	8.6	9.3	108%	27.8	28.3	102%
Others	2.1	1.9	89%	6.5	5.7	88%
Total	75.9	77.9	103%	232.6	231.5	100%

Operating income						
	FY17/3Q	FY18/3Q	YOY Change	FY17/ 1-3Q	FY18/ 1-3Q	YOY Change
Consumer	8.6	9.0	104%	25.7	25.9	101%
System equipment	(0.8)	(0.3)	-	(2.2)	0.2	-
Others	0.1	0.2	112%	0.3	0.5	147%
Adjustment	(1.1)	(1.7)	-	(3.4)	(4.8)	-
Total	6.9	7.1	103%	20.4	21.7	107%

Summary of the Third Quarter (October-December)

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- **YOY increase in both net sales and operating income.**
- **Timepiece business sales and profit grew due to strong sales in China among others.**
Sales: 48.1 billion yen (+4% YOY), OPM: 20%
- **Education product business sales 15.6 billion yen (+8% YOY), OPM: 6%**
Breakdown of sales: Calculator 55%, Dictionary 15%, Musical instruments 30%
Calculator sales increased by 6%, OPM16%
- **Digital camera business shrank due to ongoing market contraction.**
Sales down (-30% YOY), 1 billion yen in loss
- **Among system equipment business, 'Other' category (excluding projectors) secured a stable earnings base.**
Breakdown of sales: Projector 25%, Other system: 75%

FY2018 Financial Forecasts

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(billions of yen)

Consolidated	FY17/4Q Result	FY17 Full Year Result	FY18/ 1-3Q Result	FY18/4Q Forecast	YOY Change	FY18 Full Year Forecast	YOY Change
Net Sales	88.6	321.2	231.5	118.5	134%	350.0	109%
Operating income	10.3	30.6	21.7	12.3	120%	34.0	111%
OPM	11.6%	9.5%	9.4%	10.4%		9.7%	
Ordinary income	11.5	26.2	20.7	11.3	98%	32.0	122%
Net income	7.8	18.4	14.8	7.7	99%	22.5	122%
EPS(Yen)	31.42	72.67	60.07	31.27		91.34	

Net Sales and Operating Income by Segment

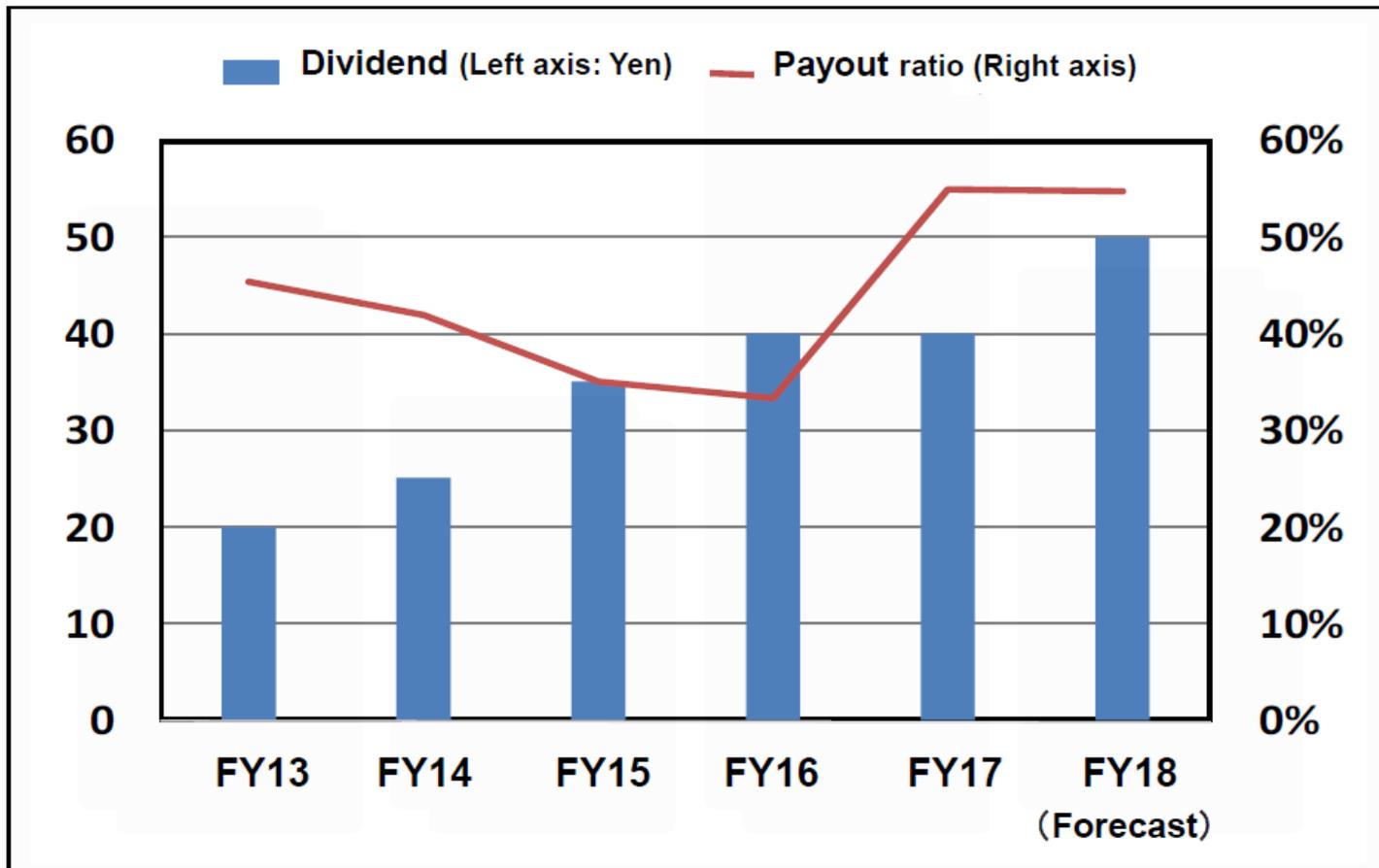
(billions of yen) 5

Net Sales	FY17 Full Year Result	FY18/ 1-3Q Result	FY18/4Q Forecast	FY18 Full Year Forecast	YOY Change
Consumer	272.8	197.4	104.6	302.0	111%
System equipment	39.7	28.3	10.7	39.0	98%
Others	8.7	5.7	3.3	9.0	104%
Total	321.2	231.5	118.5	350.0	109%

Operating income					
Consumer	37.2	25.9	14.6	40.5	109%
System equipment	(2.2)	0.2	(0.7)	(0.5)	-
Others	0.3	0.5	(0.5)	0	-
Adjustment	(4.7)	(4.8)	(1.2)	(6.0)	-
Total	30.6	21.7	12.3	34.0	111%

Dividend Policy

- Taking into consideration of the balance with performance based on stable dividends
- 60th anniversary commemorative dividend (+10 Yen) will be scheduled at the end of this fiscal year



Timepiece Business

Double the business in 3 years by implementing the product development and sales strategies

■ Product Strategy

- Development of new watch module.
- Expand product line-up including G-SHOCK.
 - Expand 6 brands (G-SHOCK, BABY-G, OCEANUS, EDIFICE, PROTREK, SHEEN)
 - Develop new genera for non-brand watches
- Full-scale expansion of high price range 3-way model (GPS + radio wave + smart phone link).
- Expand line-up of medium price range G-STEEL and EDIFICE (smart phone link, carbon material etc.)
- New G-SHOCK RANGEMAN with GPS navigation + new hybrid charging function
⇒ Best of CES 2018 finalists
- PRO TREK Smart to expand its user base from individuals to large corporations, by taking a differentiation strategy of "map to arms" (the product has the potential to take away share from major smartphone makers)

■ Sales Strategy

- Increase recognition of non G-SHOCK brands thru global business talks at the G-SHOCK 35th anniversary event.
 - ⇒ Events to be held in 20 countries (held already in New York, Sydney, Shanghai)
- Sales expansion by strengthening online outlets



G-SHOCK
35th anniversary model



G-SHOCK G-STEEL with
carbon bezel



RANGEMAN

【GAKUHAN (Scientific Calculator / Electronic Dictionary)】

- Expand sales of color graphing calculators in developed countries.
- Significant enhancement of anti-counterfeiting measures.
- Further expansion in priority countries.
- Evolution of display performance, processing capacity, memory capacity, etc.



【English Conversation Learning Tool】

- New electronic dictionary with the latest “Kojien seventh edition”
- New launch of English conversation learning tool.
- Expand BtoB sales by developing the non-store distribution.
 - including correspondence/distance educators, English Language Proficiency Test sponsors



【Electronic Musical Instrument】

■ Stabilize product supply capability and improve cost structure by strengthening in-house production system

■ Strengthen Keyboard business

- Boosting online sales; spreading promotional movies worldwide via social media.
- Strengthen profitability by halving existing models to improve line-up efficiency.
- Development of versatile new sound source
⇒ Establish keyboard brand with New AiX sound source
(Increase awareness by announcing at the NAMM Show in the US)



2.5D Printing System

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■ New business utilizing the world's first "electromagnetic radiation molding technology"

The world's first "electromagnetic radiation molding technology" is applied to Casio's original digital sheet, realizing a versatile texture (cloth, leather, stone, etc.) with three-dimensional touch.

■ Inquiries from domestic and overseas companies, ranging from automobiles, building materials, apparel, measurement instruments, medical equipment to household appliances, have increased sharply.

Product Sample Revolution

- ① Car interior, exterior walls and tiles, catalog etc.
- ② Highly durable "membrane structure design"
 - ⇒ Creates buttons and switches in planar without mold

■ Release date

February 26, 2018

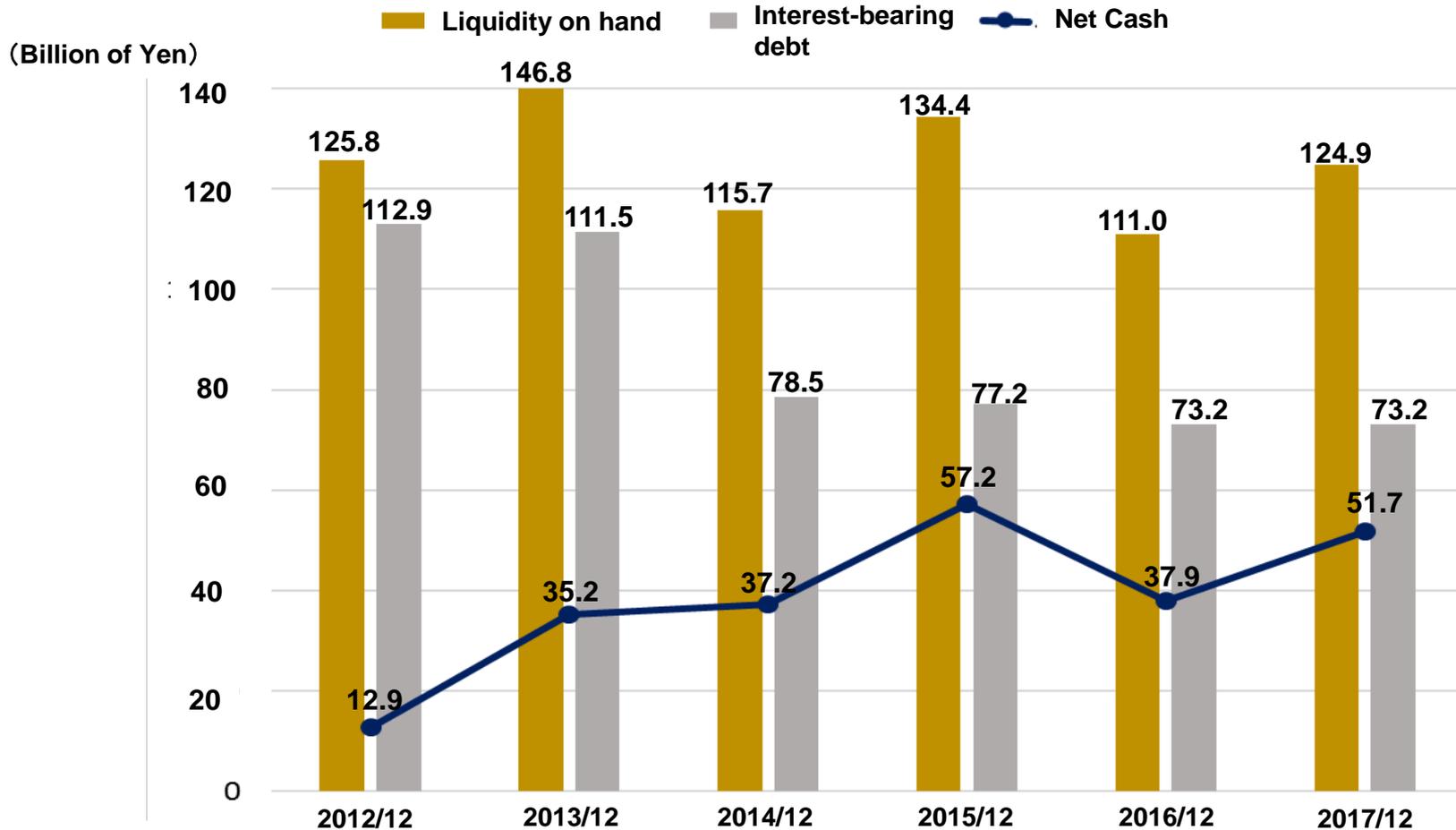
Impact of Foreign Exchange Rate Fluctuations

FOREX Sensitivity (Major currencies)	Assumed exchange rate (2018/1 -2018/3)	Yearly impact of one yen fluctuations	
		Net Sales	Operating income
US Dollar	¥113	¥1.0 billion	— (※1)
Euro	¥128	¥0.35 billion	¥0.25 billion
Renminbi	¥16.3	¥1.8 billion	¥1.2 billion

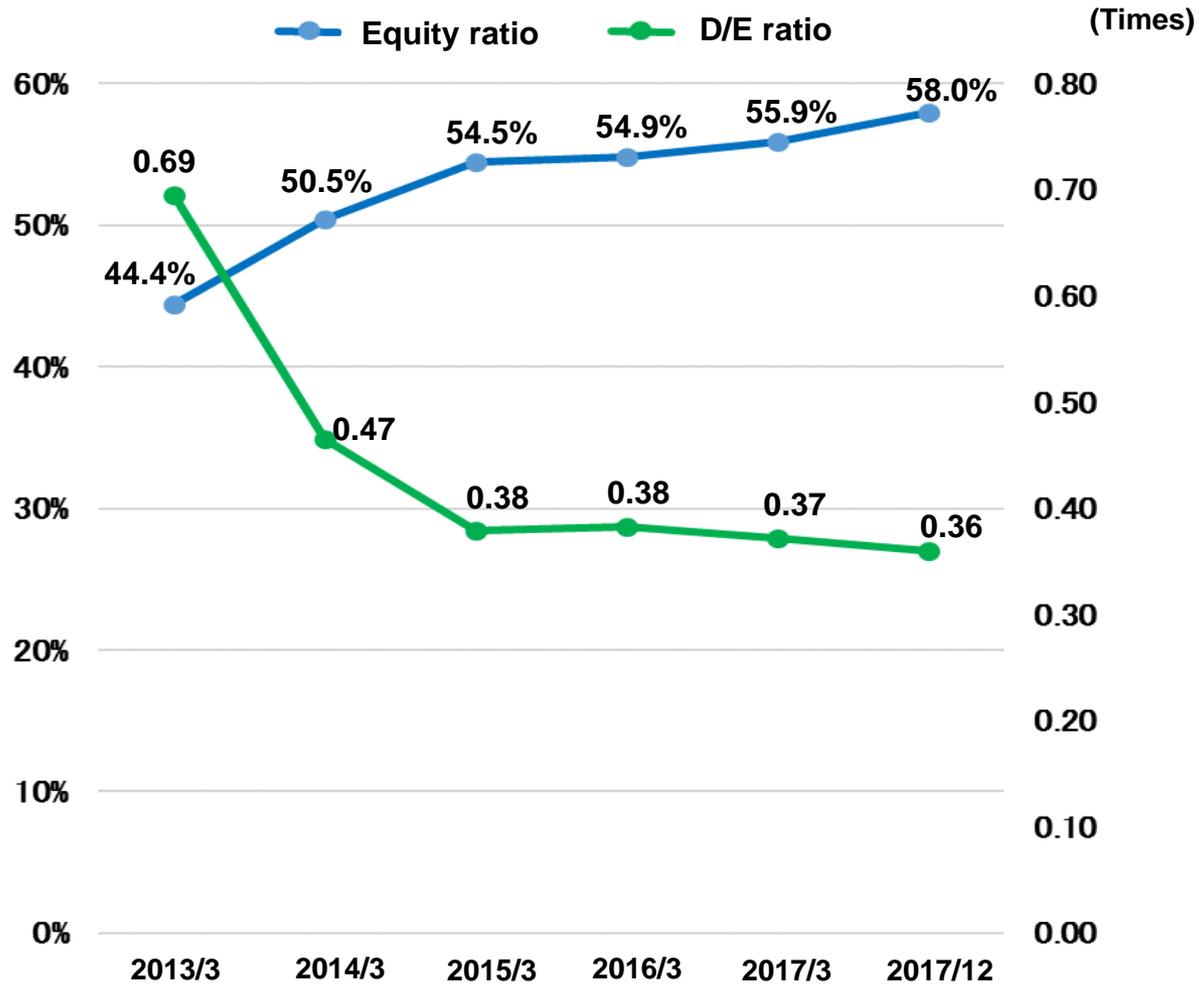
※1 Impact of dollar-yen fluctuation is minimal as exports and imports are nearly in equilibrium

Actual Exchange Rate (YOY)	FY18/1st Half	FY18/3Q
	US Dollar	¥111.1 (¥+5.8)
Euro	¥126.3 (¥+8.1)	¥133.0 (¥+15.2)
Renminbi	¥16.4 (¥+0.5)	¥17.1 (¥+1.1)

■ Liquidity on hand · Interest-bearing debt · Net Cash (Compared to the second quarter)



Equity ratio - D/E ratio



END