

[This is an English translation of the original issued in Japanese]

**First-half Results Briefing
for Fiscal Year Ending March 31, 2023
Business Outlook for
Fiscal Year Ending March 31, 2023**

November 9, 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.

(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.

**First-half Results Briefing
for Fiscal Year Ending March 31, 2023**

**Business Outlook for
Fiscal Year Ending March 31, 2023**

Consolidated Results for 1H of FY March 2023

Billions of yen

Consolidated Results	FY March 2022 2Q	FY March 2023 2Q	YoY Change	FY March 2022 1H	FY March 2023 1H	YoY Change	Previous forecast as of May 12, 2022	
							FY March 2023 1H	Change
Net sales	66.5	72.0	108%	125.9	133.3	106%	130.0	+3.3
Operating profit	6.2	5.2	84%	12.0	10.1	84%	10.0	+0.1
OPM	9.3%	7.3%		9.6%	7.6%		7.7%	
Ordinary profit	6.2	5.9	95%	12.3	11.6	94%	9.0	+2.6
Net income	4.5	4.1	91%	8.8	8.3	94%	6.5	+1.8
EPS (yen)	18.54	17.04		36.28	34.64		27.15	

Achieved the published figures for FY March 2023 1H.

Net Sales and Operating Profit, by Segment

Billions of yen

		Consolidated Results	FY March 2022 2Q	FY March 2023 2Q	YoY Change	FY March 2022 1H	FY March 2023 1H	YoY Change
Net Sales	Timepieces		41.2	43.0	104%	78.2	79.8	102%
	Consumer		20.2	22.9	113%	38.4	43.5	113%
	System equipment		3.7	4.8	127%	6.7	7.5	111%
	Others		1.4	1.4	97%	2.6	2.6	100%
	Total		66.5	72.0	108%	125.9	133.3	106%
Operating profit	Timepieces		7.9	7.2	92%	15.2	12.8	84%
	Consumer		1.3	0.9	70%	2.7	2.7	102%
	System equipment		-0.3	-0.8	-	-1.0	-1.6	-
	Others		0.1	0.1	89%	0.2	0.2	118%
	Adjustment		-2.8	-2.2	-	-5.0	-4.1	-
	Total		6.2	5.2	84%	12.0	10.1	84%

■ First-half results for fiscal year ending March 2023

- Achieved the published figures, despite the impact of soaring raw material and logistics costs and the resumed spread of COVID-19, due to the effects of structural reform implemented up until the previous fiscal year, cost efficiency measures, and strong performance in the education business.

■ Business outlook for fiscal year ending March 2023

- Despite (downward) revision of the sales plan for the Timepiece Segment (China) and the System Equipment Segment, sales have been upwardly revised, factoring in the (upward) revision of the sales plan for the Consumer Segment and the exchange rate effect.

- The impact of exchange rate fluctuations on operating profit was less than the associated increase in sales because appreciation of the US dollar and depreciation of the yen have been greater than the fluctuations of exchange rates between the US dollar and other currencies.

As a result, operating profit has been downwardly revised due to the impact of the decrease in sales associated with the revision of sales plan.

Factors in the Revision of the Full-Year Plan

Billions of yen

		Published figures (May 12)		Revised figures (Extent of revision)	
		Sales	Operating profit	Sales	Operating profit
Timepiece Segment	<ul style="list-style-type: none"> • Revision of 2H sales plan for Chinese market: Sales -¥6.0 billion, operating profit -¥2.5 billion • Full-year exchange rate effect on Timepiece Business overall: Sales +¥10.0 billion, operating profit +¥1.0 billion 	158.0	30.0	162.0 (+4.0)	28.5 (-1.5)
Consumer Segment	<p>Education Business: Revision of scientific calculator sales plan → Sales +¥4.0 billion, operating profit +¥0.5 billion</p>	87.0	5.0	91.0 (+4.0)	5.5 (+0.5)
System Equipment Segment	<p>System Equipment Business: Revision of sales plan → Sales -¥1.0 billion, impact of sales decrease and impact on costs associated with depreciation of yen/appreciation of dollar → operating profit -¥2.0 billion (because overseas product ratio and Japan sales ratio are high)</p> <p>New businesses: revision of sales plan → Sales -¥2.0 billion, operating profit no impact</p>	20.0	0.0	17.0 (-3.0)	-2.0 (-2.0)
Others	No change	5.0	0.0	5.0	0.0
Adjustment	No change	-	-8.0	-	-8.0
Total		270.0	27.0	275.0 (+5.0)	24.0 (-3.0)

FY March 2023 Forecasts

Billions of yen

Consolidated	FY March 2023 Financial Forecasts						Previous forecast as of May 12, 2022	
	1H result	YoY Change	2H forecasts	YoY Change	Full-year forecasts	YoY Change	Full-year forecasts	Change
Net sales	133.3	106%	141.7	112%	275.0	109%	270.0	+5.0
Operating profit	10.1	84%	13.9	140%	24.0	109%	27.0	-3.0
OPM	7.6%		9.8%		8.7%		10.0%	
Ordinary profit	11.6	94%	13.4	136%	25.0	113%	25.0	-
Net income	8.3	94%	9.2	130%	17.5	110%	17.5	-
EPS (yen)	34.64		38.48		73.12		73.12	

*Full-year plan revised upward by ¥5.0 billion for net sales and downward by ¥3.0 billion for operating profit.

Net Sales and Operating Profit by Segment

Billions of yen

	Consolidated	FY March 2023 Financial Forecasts					Previous forecast as of May 12, 2022		
		1H result	YoY Change	2H forecasts	YoY Change	Full-year forecasts	YoY Change	Full-year forecasts	Change
Net Sales	Timepieces	79.8	102%	82.2	111%	162.0	106%	158.0	+4.0
	Consumer	43.5	113%	47.5	111%	91.0	112%	87.0	+4.0
	System equipment	7.5	111%	9.5	144%	17.0	128%	20.0	-3.0
	Others	2.6	100%	2.4	81%	5.0	90%	5.0	-
	Total	133.3	106%	141.7	112%	275.0	109%	270.0	+5.0
Operating profit	Timepieces	12.8	84%	15.7	124%	28.5	102%	30.0	-1.5
	Consumer	2.7	102%	2.8	86%	5.5	93%	5.0	+0.5
	System equipment	-1.6	-	-0.4	-	-2.0	-	0.0	-2.0
	Others	0.2	118%	-0.2	-	0.0	0%	0.0	-
	Adjustment	-4.1	-	-4.0	-	-8.0	-	-8.0	-
Total	10.1	84%	13.9	140%	24.0	109%	27.0	-3.0	

Timepiece Segment

2Q Results

- Delayed recovery in demand with impact of various regulations due to continuation of China's Zero COVID policy
- In Europe and North America, although inflation negatively affected consumer confidence, sales were strong, led by G-SHOCK brand products
- The YoY decline in OPM was due to the impact of soaring raw material and logistics costs and a decrease in the percentage of sales in China, where profitability is relatively high (improved compared with 1Q)

2H Plan

- Work to strengthen G-SHOCK lineup and optimize selling prices to improve profit

Billions of yen

			1H (Result)	2H (Forecasts)	Full year (Forecasts)
	1Q (Result)	2Q (Result)			
Net Sales	36.8	43.0	79.8	82.2	162.0
OPM	15%	17%	16%	19%	18%

Timepiece Segment

2Q Overview

By Genre

G-SHOCK percentage (including BABY-G) in 2Q: Approx. 59% (of which, metal models: 18%; resin models: 41%)

G-SHOCK unit sales in 2Q: Approx. 2.1 million units

BABY-G unit sales in 2Q: Approx. 0.3 million units

■ G-SHOCK metal models / resin models

G-SHOCK metal models : Sales of a new version of the popular 2100 series with octagonal case and the GM-B2100 full metal model were strong worldwide, and sales of GMW-B5000, which inherits the design of the first model, remained firm.

G-SHOCK resin models : The 2100 series, which includes GA-2100 and GA-B2100, drove strong sales.

■ G-SHOCK focused genre

Premium: Sales increased YoY in all regions other than China

For women: Approx. 50% increase YoY in Europe; steady growth in Japan and other areas ⇒ Succeeded in acquiring new users

■ Products other than G-SHOCK

Sales of EDIFICE, Standard models (a Casio brand), and other products were on a recovery trend, primarily in the ASEAN region.

The Vintage series (a Casio brand) remain popular in Europe.

Sales of the thin OCEANUS Manta series remained firm in Japan.



G-SHOCK
GM-B2100D



G-SHOCK
GMW-B5000D



G-SHOCK
GA-2100



G-SHOCK
GA-B2100C



G-SHOCK
GWG-2000



G-SHOCK
MR-G
MRG-B5000



G-SHOCK
GMA-S2100SK



EDIFICE
ECB-900DB



Vintage Series
A100



OCEANUS
OCW-S5000E

Timepiece Segment

2Q Overview

Percentage of sales by region (based on yen figures)

2Q: Japan 16%, North America 15%, Europe 16%, China 17%, Other 36%

By Region Overall: YoY in 2Q -9% (in local currencies)

■ Japan (YoY in 2Q +3%)

- Despite continued impact of COVID-19, sales of premium MR-G models remained firm.
- Sales of G-SHOCK metal models were strong, driven by strategic product GM-B2100.

■ North America (YoY in 2Q +1%)

- Despite negative effect of inflation on consumption of high-priced models, sales remained firm, driven by G-SHOCK products.
- Acquired new users as sales of medium- and high-priced products, including strategic product GM-B2100, increased.

■ Europe (YoY in 2Q -5%)

- Although the Russia-Ukraine situation* and inflation had an impact, sales of G-SHOCK models and the Vintage series remained strong. In France, acquired new users for the 2100 series and other products for young people and women, and G-SHOCK remained popular.

*+4% YoY excluding impact of Russia-Ukraine situation

■ China (YoY in 2Q -36%)

- Impact of lockdown rules, restrictions on movement and event cancellations, etc., due to continued Zero COVID policy.
- Decline in consumer confidence due to slowdown in real economy and continued slower than expected recovery in market conditions.

■ Other (YoY in 2Q ±0%)

- Although inflation affected consumer confidence in South and Central America, recovery, mainly for physical stores, continued in ASEAN, led by Indonesia, Malaysia, and the Philippines.

*+4% YoY in ASEAN region

E-commerce sales results

■ E-commerce sales percentage: Overall: about 30%, Japan and North America: Mid-30% range, Europe: about 30%, China: about 50%

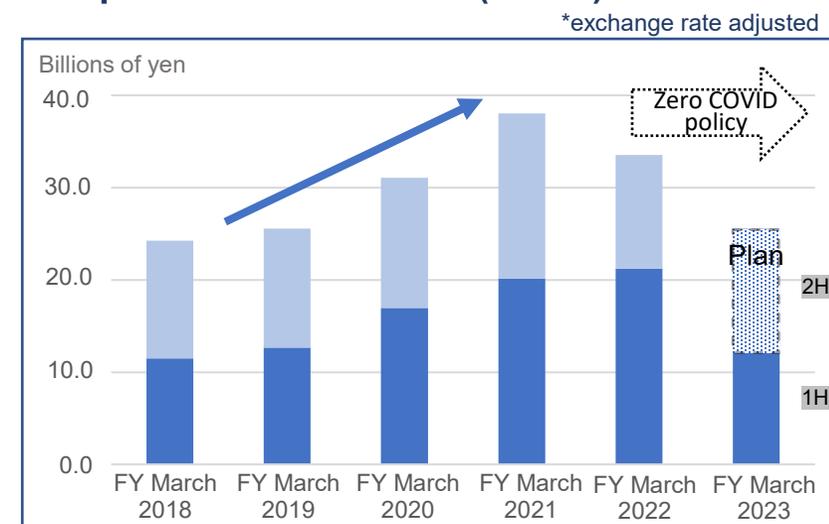
■ Direct e-commerce sales: YoY in 2Q: Japan 1.5 times higher, North America 0.9 times higher, Europe 1.1 times higher

China: Initiatives for Reopening

Strengthen customer assets and relationships with business partners ⇒ Build foundation for reopening

- Brand survey: Top in industry for both recognition and likeability (Casio survey Sept. 2022)
- Maintained top class brand ranking (Apr. – Sept.)  **Tmall 1st**  **JD.com 2nd**
- Major e-commerce site members **approx. 10 million, the largest in the industry**
*Gaining many members in target segments (women, young people) (under 25s account for highest percentage of members and men to women ratio is around 5:5)
- Emerging e-commerce platform  **TikTok: No.1 brand ranking**
Casio brand gained high rating on “interest, empathy, attention index”*
Brand attention index CASIO: 1st, G-SHOCK: 3rd *TikTok’s unique evaluation index

Timepiece business sales (China)



Increase marketing precision and strengthen connections with loyal fans ⇒ Expand business

- Strengthen branding for G-SHOCK 40th anniversary
⇒ Develop new fans and strengthen connections with loyal fans
- Strengthen OMO* marketing linked to Wechat mini programs *Online merges with offline
- Promote marketing strategy utilizing brand ambassadors and key opinion leaders
- **Tmall Super Brand Day event to be held in December**
⇒ Aim to acquire premium users by linking with G-SHOCK 40th Anniversary promotion (Expand user assets for 2023)



Timepiece Business (2H Strategy)

2023 G-SHOCK 40th Anniversary

Take advantage of 40th anniversary to strengthen branding

- Spread information and hold events highlighting new products in partnership with leading retailers, collaborators, and the media
- Global rollout of special website

■ Commence rollout of 40th anniversary commemorative models in stages

Launched GMW-B5000EH, a collaboration model with New York-based graffiti artist Eric Haze on October 28* as the first 40th anniversary commemorative model *Launch date in Japan

■ Focus on appealing to new users, including young people and women

Leverage 40th anniversary as an opportunity to communicate the historical background of G-SHOCK. Aim to significantly expand recognition and win new fans.

- In conjunction with full-scale 40th anniversary events next fiscal year, appoint and utilize area and local brand ambassadors to reach Gen-Z users during the second half of the year
 - **Successfully increase users among young people and women with marketing using social media and influencers**
- ⇒ Apply practice in France across Europe *France: *90% increase of G-SHOCK sales in 1H

■ Expand percentage of high profitability direct e-commerce

• Use the 40th anniversary as an opportunity to increase access to direct e-commerce site through presales and lottery sales of exciting collaboration models with iconic brands in various fields including fashion, music, and sports.



GMW-B5000EH



The commemorative logo designed by Eric Haze is engraved on the back of the case of the 40th anniversary commemorative model.

Education Business

2Q Results

■ Calculators

Scientific calculators: Captured demand as face-to-face classes resumed in nearly all of Casio's main sales regions; steadily recovered market scale to pre-COVID-19 level

■ Electronic dictionaries: Impact of COVID-19 continued in Japan, and there was also an impact from cancellation of sales meetings

2H Plan

■ Calculators

Scientific calculators: Recover market sales and improve profitability by expanding sales of new models

■ Electronic dictionaries: Expand sales of customized models and promote introduction of ClassPad.net

Billions of yen

			1H	2H	Full year
	1Q (Result)	2Q (Result)	(Result)	(Forecasts)	(Forecasts)
Net sales (of which, calculators)	15.0 (13.1)	16.1 (14.0)	31.1 (27.1)	30.9	62.0
OPM (of which, calculators)	14% (20%)	9% (16%)	11% (18%)	6%	9%

*2Q breakdown:

Net sales: Scientific and standard calculators approx. 87%,
electronic dictionaries approx. 13%

OPM: Scientific and standard calculators approx. 16%
Operating profit: Electronic dictionaries, etc. approx. - ¥0.6 billion

Education Business

Scientific calculators

■ Expand focus area (ASEAN) by continuing GAKUHAN activities

- Sales in ASEAN region recovered to pre-COVID-19 level with approx. 80% increase of 1H sales YoY.
- 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

■ New model (New ClassWiz) with excellent operability and high profitability

Starting this fiscal year, it will be shipped region by region, beginning in Europe, and GAKUHAN activities will be carried out to ensure that users experience the value and benefits of the new products.



Standard calculators

■ Released **Ergonomic Calculators** with the new concept of a keypad sloped 3° to the right in October

Calculators designed for comfortable keypad entry, which is most important for heavy users, received Good Design Award



Japan: Electronic dictionaries/Software business “ClassPad.net”

- Introduce strategic models for each school circumstance (customized models)
- **ClassPad.net online comprehensive learning platform*** that supports the GIGA school project

*Received GIGA School Special Category Award in the 19th Japan e-Learning Awards



 ClassPad.net



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

Electronic Musical Instrument Business

2Q Results

- Decreased OPM due to investment in sales promotion to strengthen new product lineups (steady growth compared to plan)
- Sales of the Slim & Smart series remained strong

2H Plan

- Emphasize lifestyle and expand sales utilizing new products in the Slim & Smart series
- Work to further optimize selling prices and improve profit

Billions of yen

			1H	2H	Full year
	1Q (Result)	2Q (Result)	(Result)	(Forecasts)	(Forecasts)
Net Sales	5.6	6.8	12.4	16.6	29.0
OPM	-3%	-9%	-7%	5%	0%

Electronic Musical Instrument Business

Create “hobbyist/personal needs” market based on Slim & Smart

■ Launch of top-end Privia line, PX-S7000

Highly rated for design, keyboard touch, and tone as a high-end line in the “hobbyist/personal needs” market. Captured demand for high-quality digital piano that fits in with lifestyle, instead of competing for share in existing market segments. **Better-than-expected start despite high price of about ¥250,000**

Held presentations, briefings, hands-on sessions, and business meetings worldwide and received high evaluation

⇒ **Won more than 4,000 orders in approximately one month after the announcement.** (Approx. 1.5 times higher than internal plan)

*Total of PX-S7000/S6000/S5000



Strengthen communication with users

■ CASIO MUSIC SPACE *DL number: Approx. 51,000 as of September 30, 2022

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
 - Strengthen relationship with specialized distribution (musical instrument store distribution) and develop new distribution channels
 - Strengthen e-commerce (direct e-commerce/specialized distribution e-commerce)
- E-commerce sales percentage: slightly under 30%

Wireless
MIDI & Audio
adapter



Brand ambassador Hayato Sumino

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



System Equipment Business (Excluding new businesses)

2Q Results

- PA: Partial delivery of large scale project postponed to 3Q
- SA: Impact from restrained investment in store equipment due to downturn in market conditions continued
- CHS: Impact on business negotiations due to postponement of new product release date

2H Plan

- PA: Large scale order received in previous fiscal year expected to be delivered
- SA: Stabilize profit by electronic cash register
- CHS: Focus on expanding sales of new products

Billions of yen

			1H	2H	Full year
	1Q (Result)	2Q (Result)	(Result)	(Forecasts)	(Forecasts)
Net Sales	2.6	4.6	7.1	8.9	16.0
Operating Profit	-0.8	-0.8	-1.6	-0.4	-2.0

Implement structural reform to improve profit

System Equipment Business

PA (handheld terminals)

■ Focus on productivity improvement solutions mainly for transportation and logistics

- Deliver large-scale customer order received in previous fiscal year in stages (partial delivery scheduled for 2Q postponed to 3Q)
- Continue business talks on other new large-scale projects



SA (electronic cash registers)

■ Implement business model transformation through digitalized services

- Increase competitiveness of EZ Cashless through new acquirer collaborations
- Support store DX through timely tabulation and analysis using EZ Net Register (tablet register) service (capture small-scale store demand for supporting invoicing system and utilizing IT introduction subsidies)
- Establish DX proposal system focused on shopping districts



CHS (human resources solutions business)

SMB (management support for small-scale enterprises business)

■ Recovery in orders received due to growth in demand due to environmental changes due to the COVID-19 pandemic (support for human capital management and invoicing systems)

- Stabilize profit by retaining customers and winning more new customers



Priority Issues in 2H for the Full-Scale Start of the C30 Project Next Fiscal Year

Our Objective

**C30 Project underway
(Maximize corporate value in FY March 2031)**

Contribute to people and society into the future

Backcasting

VISION 2030

Aiming to maximize corporate value in FY March 2031

Existence valuable

Continuously creating things our users cherish more than anything

Next three-year Medium-Term Management Plan

Net sales

¥252.3 billion

¥275.0 billion

Core businesses
Timepiece /
Education / EMI

Transformation
(recurring)
Adapt to new times

System
equipment / new
businesses

Innovation
Create new markets

Aim for market capitalization
¥1 trillion

FY March 2022

FY March 2023

FY March 2024 – FY March 2026

FY March 2031

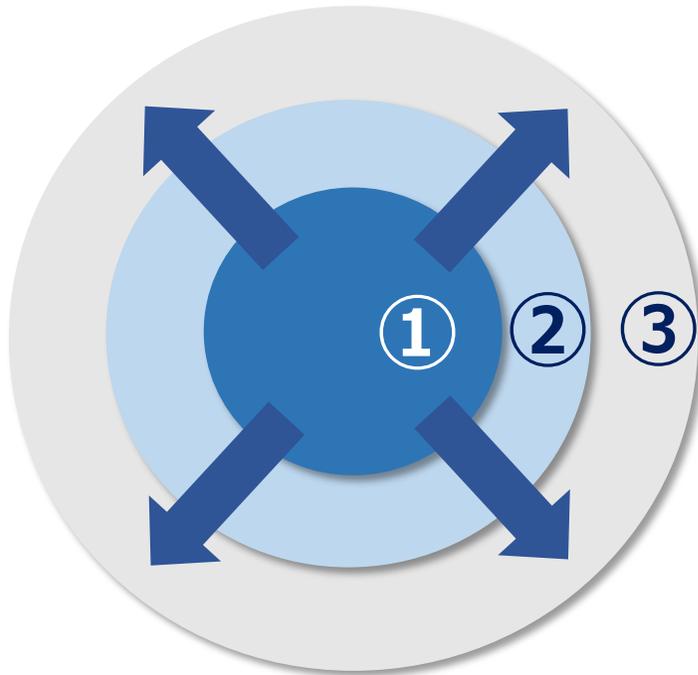
Sweeping measures for full-scale launch of C30 project next fiscal year

1. Growth strategy for Timepiece Business
2. Growth strategy for Education Business
3. Growth strategy for Electronic Musical Instrument Business
4. Select and concentrate for businesses with issues (system equipment / new businesses)
5. Radical revision of management platform from medium- to long-term perspective
6. Radical reform of business operation and management
 - ① Reform supply chain to be resilient to external environment
 - ② Provide optimal products and services for each and every customer using DX
 - ③ Promote human capital strategy
7. Cash allocation policy (implement optimal allocation with flexibility, including M&A, etc.)

1. Growth strategy for Timepiece Business

Timepiece Business

Shift to recurring model with G-SHOCK fan platform by expanding G-SHOCK brand territory and strengthening One-to-One marketing



Design a lifestyle full of individuality on your wrist

① Strengths and assets

5 million core fans, 50 million with good impression

- G-SHOCK's unique brand power and loyal fans
- Original technology that enables high value added products
- Outstanding richness of design

② Expand and evolve G-SHOCK brand territory

- Strengthen premium lines
- Expand target users by strengthening product lines for young people/women
- Create unique Casio smart watches by strengthening lines for sport and health
- Deepen proposed lifestyles through evolution of G-SHOCK to adapt to new times

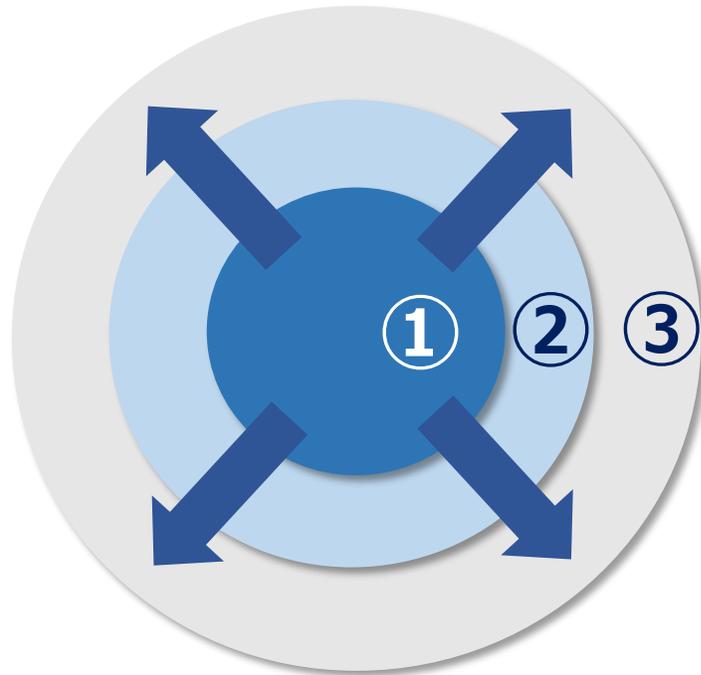
③ Connect deeply and long-term with G-SHOCK fans

- Provide customer experience based on collaboration between G-SHOCK Stores and direct e-commerce
- One-to-One marketing
- Maximize customer lifetime value (recurring model)

2. Growth strategy for Education Business

Education Business

Provide optimal support in a timely manner utilizing dedicated devices, ClassPad.net, and GAKUHAN know-how and create dictionaries for individual learning, with just the right features at just the right time (recurring model)



Support learning and increase curiosity about learning

① Strengths and assets

- Strong relationships with education ministries and teachers through GAKUHAN activities
- Stable earnings cycle created by new school year demand each year
- Scientific calculators with majority market share in 100 countries worldwide and electronic dictionaries with top student usage rate
- World-class mathematical and numerical calculation engines

② Maintain and expand hardware business

- Continue stable hardware business and develop demand in untapped countries
- Gradually roll out new models adapted to new times in various countries

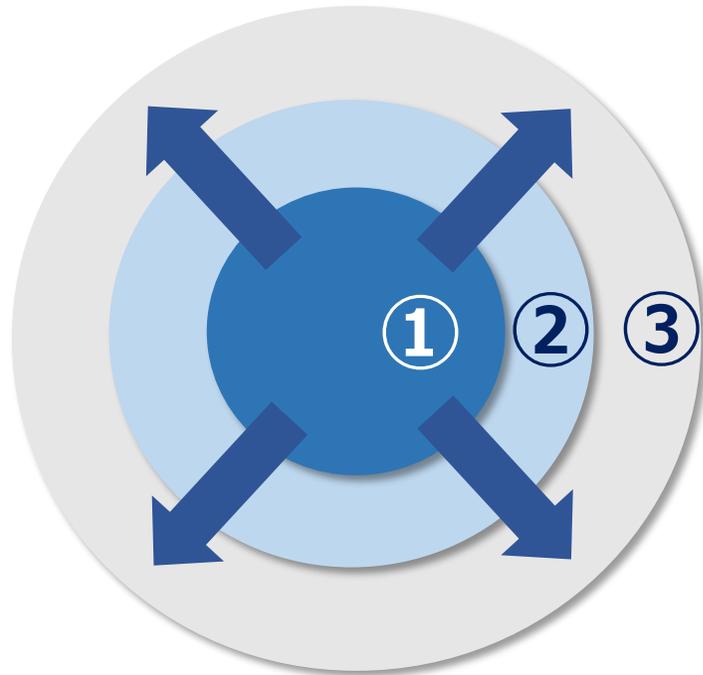
③ Establish unique position in software and content business

- Develop business model adapted for a new era through the ClassPad.net comprehensive learning platform

3. Growth strategy for Electronic Musical Instrument Business

Electronic
Musical
Instrument
Business

Build unique position with constant product advancements and promotion
Provide enjoyment that enriches lives of users through enjoyment of sound



Bring the enjoyment of music to everyone and offer comfortable lifestyles with sound

① Strengths and assets

- Create unique new market (“hobbyist/personal needs” market) through success of Slim & Smart products based on new concepts of “enjoy yourself” and “harmonize with your life”
- Advancement of technology, including development of sound source and UI/UX

② Further reveal and expand “hobbyist/personal needs” market

- Expand target users through evolution of Slim & Smart series and strengthening of product line-up
- Develop into and expand high-end market by strengthening branding

③ Provide new sound experiences tailored to each individual

- Be a continual presence in the lives of users who enjoy musical instruments through CASIO MUSIC SPACE (user platform app)

4. Select and concentrate for businesses with issues

System Equipment Business

- Concentrate management resources in areas of focus
- Radical revision of cost structure
- Improve profit structure by accelerating shift to recurring model

New Businesses

- Complete selection and concentration during current fiscal year (change business policy as necessary)
 - **Recorded ¥1.9 billion extraordinary loss in 2Q**
- ⇒ Improve profit structure from next fiscal year and aim for early business launch



Loss in adjustment for previous fiscal year was approx. -¥10.0 billion.
⇒ Reduce to -¥8.0 billion in current fiscal year ⇒ Reduce to -¥5.0 billion base as soon as possible
(¥5.0 billion level of adjustment based on normal basic research expenses and corporate costs)

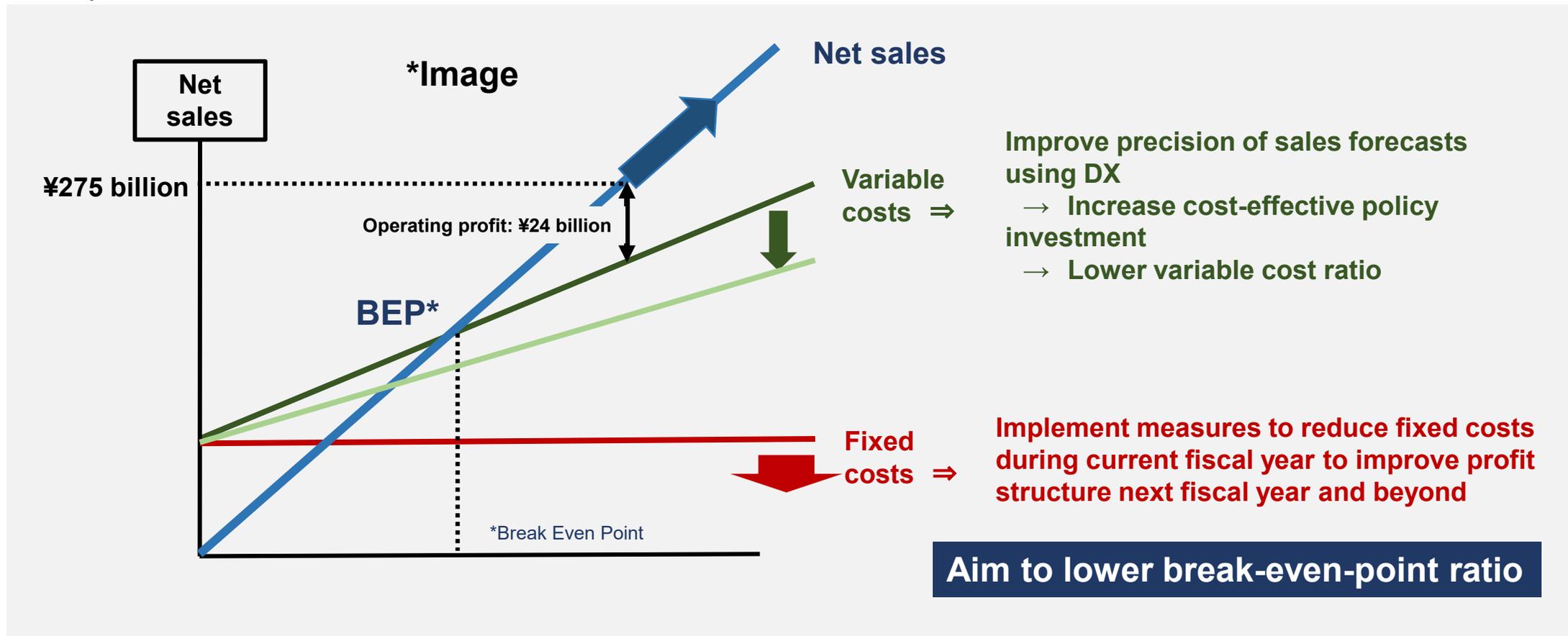
5. Radical revision of management platform from medium- to long-term perspective

■ Implement measures to reduce fixed costs during current fiscal year to improve profit structure next fiscal year and beyond

• Optimize personnel structure and organization/promote reassignment, etc.

■ Optimal utilization of policy costs (semi-variable costs) such as sales promotion expenses

• Flexibility in areas with active investment and reduced investment according to circumstances in each area for each product



6. Radical Reform of Business Operation and Management

① Reform supply chain to be resilient to external environment

Production site strategy	<ul style="list-style-type: none">• Strengthen BCP* support for product site transfers and strategic changes in production allocation, etc. (Respond with flexible production to demand and exchange rate fluctuations, use EMS) <p>*Business Continuity Plan</p>
Total cost reduction	<ul style="list-style-type: none">• Reduce costs: promote multi-company purchasing system, reduction in number of components for main models, and platform introduction• Reduce SG&A expenses: increase percentage of directly-managed business (direct e-commerce and directly-managed stores), reform distribution, and strengthen frontline capabilities (prompt response to changes in market conditions)
Software business measures	<ul style="list-style-type: none">• Shift to recurring business as soon as possible• Upgrade and streamline software development

② Provide optimal products and services for each and every customer using DX

- ✓ Strength in identifying customers (knowing online and offline behavior)
- ✓ Knowing preferences and buying history (whether users prefer G-SHOCK)
- ✓ Knowing what to suggest next (Proposal suited to life stage)

Japan:
Comparison after renewal of direct e-commerce site
(Apr. – Sep. 2020 → Apr. – Sep. 2022)

1. Visits: 4.6 time higher
2. Purchases: 3.0 times higher
3. CVR*: 1.8 times higher
4. Repeat visitors (≡ fans): 3.5 times higher

⇒ **Accelerate roll out outside Japan**
(direct e-commerce: 12 countries,
PIM/DAM*: rollout underway in 26 countries)

*CVR: Conversion rate PIM/DAM: Product information management / Digital asset management

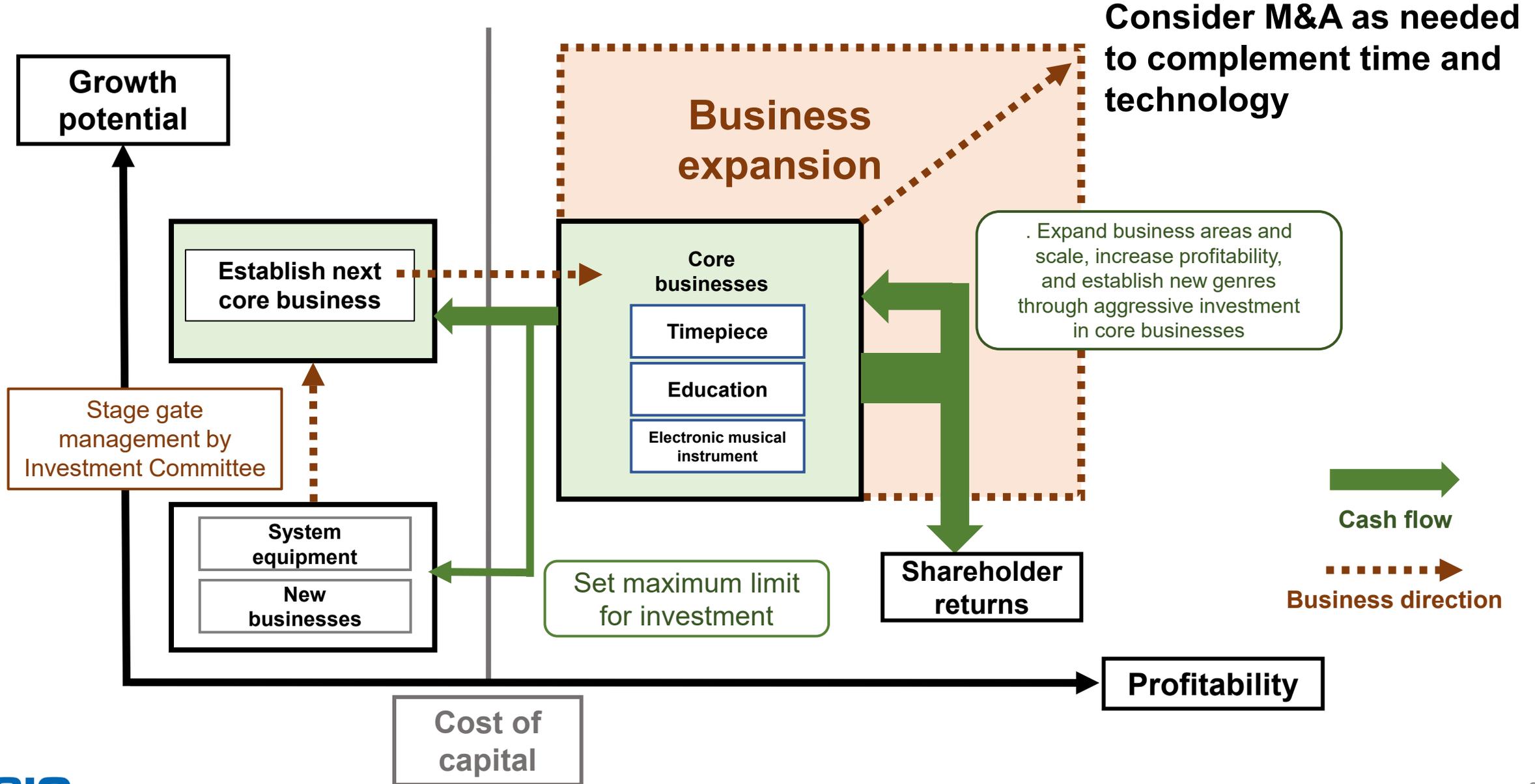
③ Promote human capital strategy

- Maximize employee and organizational performance to achieve strategy
- Foster mindset of “challenge, change, and co-creation”
- Develop working environment that supports innovation creation and well-being



Organizational culture that allows all employees to work enthusiastically and enjoy job satisfaction, sharing and executing on our strategic goals

7. Cash Allocation Policy



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, completed replacement of 35% of power used at sites in Japan in FY2022 with renewable energy (reflects 9 months of power based on introduction in July)

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: International initiative to certify that greenhouse gas emission reduction targets align with the levels required by the Paris Agreement based on scientific evidence

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 (Scope1 + 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

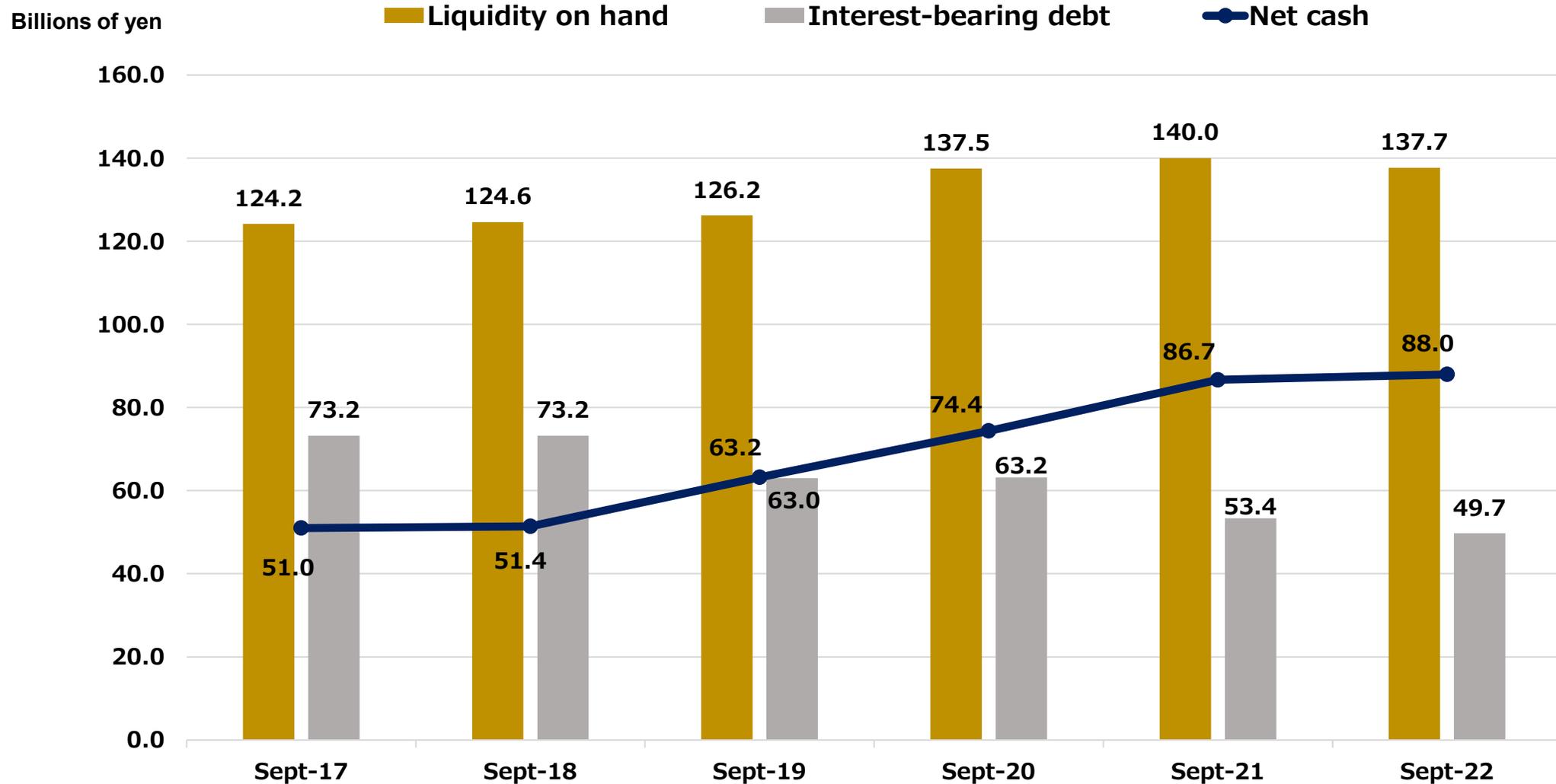
- FTSE4Good Index (included for six straight years)
- S&P/JPX Carbon Efficient Index
- FTSE Blossom Japan Index
- FTSE Blossom Japan Sector Relative Index (New)
- MSCI Japan Empowering Women (WIN) Index

Impact of Foreign Exchange Rate Fluctuations

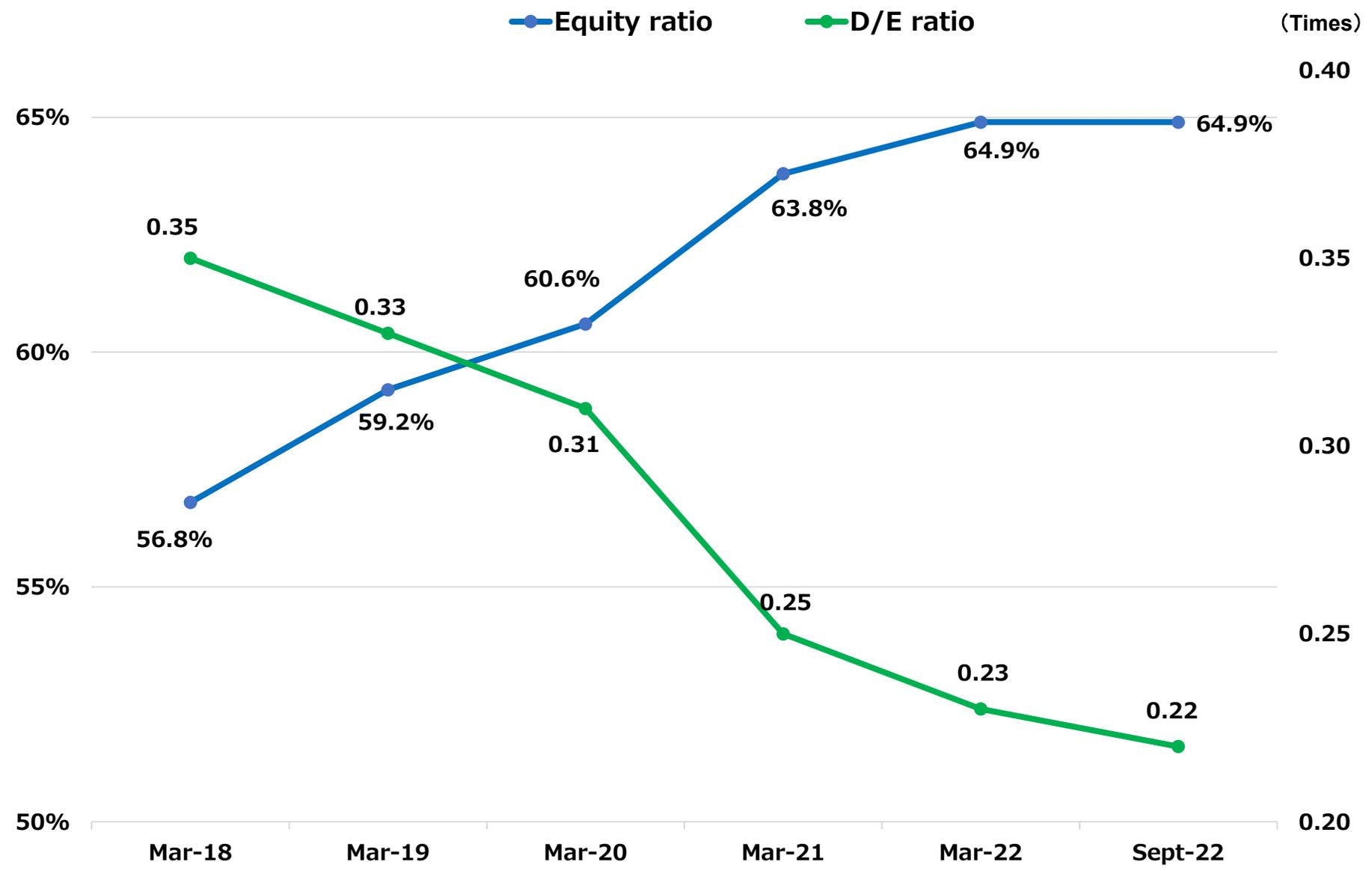
FOREX Sensitivity (Major currencies)	Assumed exchange rate (Oct 2022 – March 2023)	Yearly impact of one yen fluctuations RMB impact of ¥0.1 move	
		Net sales	Operating profit
U.S. Dollar	¥140	¥1.0 billion	-¥0.05 billion
Euro	¥140	¥0.30 billion	¥0.20 billion
Chinese Yuan	¥20.0	¥0.18 billion	¥0.12 billion

Actual Exchange Rate (YoY)	1Q	2Q	1H
	U.S. Dollar	¥129.6 (+¥20.1)	¥138.4(+¥28.3)
Euro	¥138.1 (+¥6.1)	¥139.3 (+¥9.5)	¥138.7 (+¥7.8)
Chinese Yuan	¥19.6 (+¥2.6)	¥20.2 (+¥3.2)	¥19.9 (+¥2.9)

■ Liquidity on hand / Interest-bearing debt / Net cash (Compared to the second half)



Equity ratio / D/E ratio



CASIO