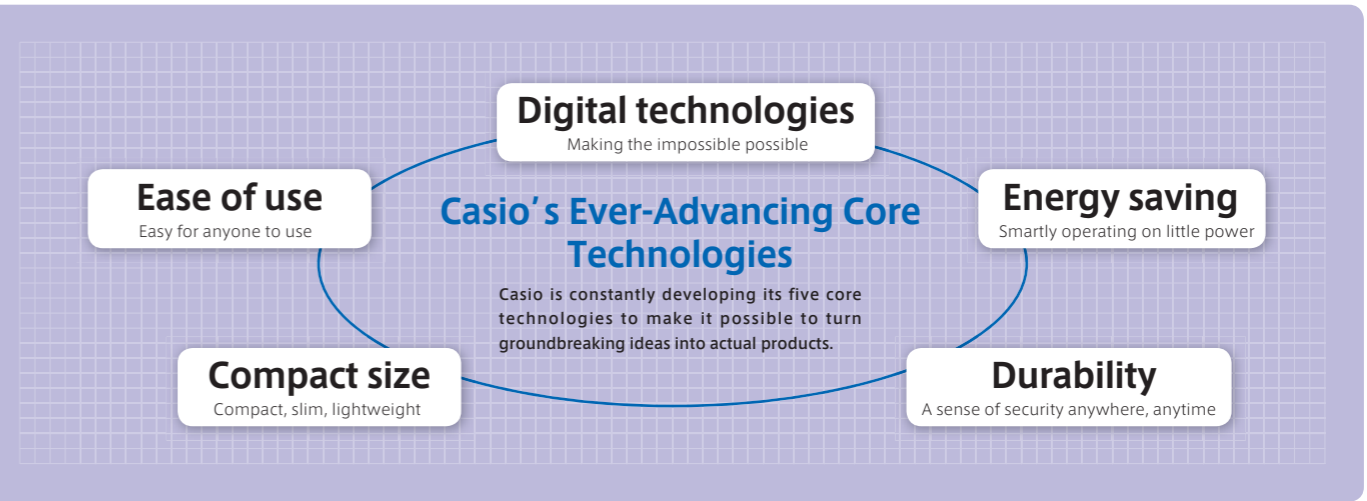


Creating Originality with New Ideas and Technologies

Development Principles



Product planning that accurately targets customer needs and the advanced technologies required to realize those plans: these are the two driving forces behind Casio's pursuit of innovative products that generate new demand.

Product Development for Social Progress and Better Living

Casio's product development concept involves "going from 0 to 1." Since its inception, the company has consistently sought to improve people's lifestyles by providing products that did not exist before, and thereby supporting social progress. Casio's aim is always to develop products that generate their own demand. Casio has been relentlessly pursuing its own advancement by building the outstanding product planning abilities, ideas, and creativity it needs to achieve this aim.

Nevertheless, the creation of products with new value based on latent customer needs cannot be achieved by armchair thinkers. Sometimes product development engineers need to experience challenging product usage environments, and actually assess for themselves the

true value of their products.

While maintaining a global perspective, Casio is also developing and providing products that precisely target particular national and regional needs. Casio's calculator with selectable Indian number display was the first to adopt the traditional Indian method of inserting a comma after the thousand position, and then after every subsequent two digits (i.e. hundred thousand, ten million, etc.). The company also launched an oriental electronic keyboard featuring the 54 tones and 83 rhythms characteristic of the major musical regions of the Middle and Near East, namely, the Arab / Maghreb, Khaleeji, Iran, and Oriental regions. Thousands of different products have been launched by Casio the world over, including dynamic product proposals for high-growth newly emerging markets.

In order to translate unique product concepts like these into competitive

products, a high level of technical expertise is needed. Only a technology leader can overcome the various hurdles involved. This is why Casio constantly works to develop advanced technologies and is taking on the challenge of pioneering new fields.

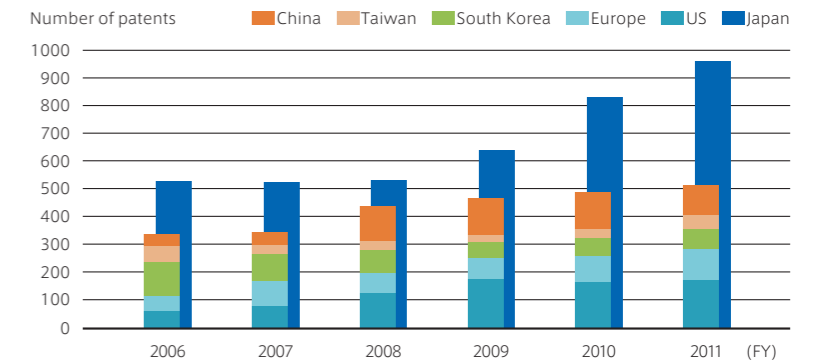
Dedicated Efforts to Protect Intellectual Property

Casio actively seeks to generate income through the proper management and utilization of the intellectual property arising from its R&D. By obtaining patents in and outside Japan, the company secures the rights to its inventions, and accumulates intellectual property assets. In order to promote smooth corporate operations on a global level, the Casio brand is protected with 2,024 registered trademarks in its various business categories, in 197 countries and regions around the world.



Product developers conduct verification in the field

Engineers developing PRO TREK outdoor watches wear their products while rock climbing or mountain climbing in the snow, in order to check the performance and convenience for themselves.



Global Patent Portfolio

Casio is promoting global patent application and acquisition activities, particularly in the US, where intellectual property competition is intense, as well as in Asia, mainly in China, where market growth has been considerable.



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