

Responsibilities to Customers



Casio is recognized by the market for its commitment to treating customers right. The company constantly strives to ensure its business management is worthy of customer confidence.

▶ Product Development and Design Initiatives

Casio develops products with new value and helps create new cultural phenomena. Casio's product development concept is simple: going from "0" to "1."



▶ Intellectual Property Initiatives

Casio secures competitive advantage, maintains operational freedom, and improves profitability by adopting specific mechanisms to drive the creation of intellectual property.



▶ Activities to Improve Customer Satisfaction

Casio believes customer satisfaction can always go up, and is strengthening its three main customer satisfaction initiatives.



▶ Quality Assurance

In order to maintain the confidence of customers and ensure the reliability of its products, Casio takes an integrity-based approach to constant quality improvement.



▶ Customer Support Center/Ensuring customer satisfaction

Deeply valuing long-term relationships with customers, Casio strives to improve the skills of support employees and uses customer feedback in the development of products and services.



▶ Stable Supply of Products

Casio is working to strengthen its global supply chain to meet rising product demand.



▶ Providing Support Information/Repair Service

To please customers and ensure their peace of mind when using its products, Casio is working to improve its system for providing customer support information, while enhancing the service skills of its staff.



Product Development and Design Initiatives

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.



Product developers conduct verification in the field

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.



MJ-120D



Display with Indian Digit Grouping

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.

Creating Originality with New Ideas and Technologies

Casio is constantly developing its five core technologies to make it possible to turn groundbreaking ideas into actual products.

five core technologies



Going beyond universal design to human-centered design

Casio works to develop products using human-centered design (HCD) in conformity with ISO 13407 processes, with the objective of improving product ease of use as part of the product's overall quality. In the HCD process, Casio seeks optimal ease of use by determining important issues from customer feedback and observation of product use in real-world situations. Through repeated evaluation and verification, Casio works to develop highly desirable products.

In developing the DT-X8, a handheld scanner terminal that is widely used at logistics and retail sites, Casio focused on a shock-resistant design to achieve ease of use in the tough working conditions in the real world of distribution. In addition to 3-meter drop resistance, the DT-X8 is also IP67 dust-proof and splash-proof and functions at -20°C, making it ready for the most challenging real-world conditions—in dusty sites, in the rain, and in cold storage.

The DT-X8 also features highly ergonomic operation; the shape of the key tops and the pitch of the keys is finely crafted to make it easy to identify the keys by feel even when wearing work gloves, which facilitates reliable input.



DT-X8, a handheld scanner terminal

Digital design data shared on a network

Casio products are all designed in 3D using computer software, and are stored as digital data. These files are centrally managed along with circuit diagrams, component data, specifications, and production schedules, and are shared via network with production sites and logistics facilities. This system was established to enable Casio to flexibly adapt to changing conditions, such as changes in user needs and the economic environment.

By sharing this data throughout the company, Casio can ensure that circuits and parts that work the same way, even if used in different product areas, are standardized, achieving lower procurement costs and greater efficiency in assembly. If any problems arise in relation to quality or the environment, Casio can efficiently go through its past product lineup to determine if there is a need to replace a certain part, or can work across departmental lines to examine the total environmental impact, for instance, calculating the amount of designated chemical substances contained in products. Design data is also used in the creation of catalogs and instruction manuals. Since design data can be used to create 3D diagrams and cross-section diagrams, there is no need to start drawing new diagrams from scratch. This accelerates the production process and keeps costs down.

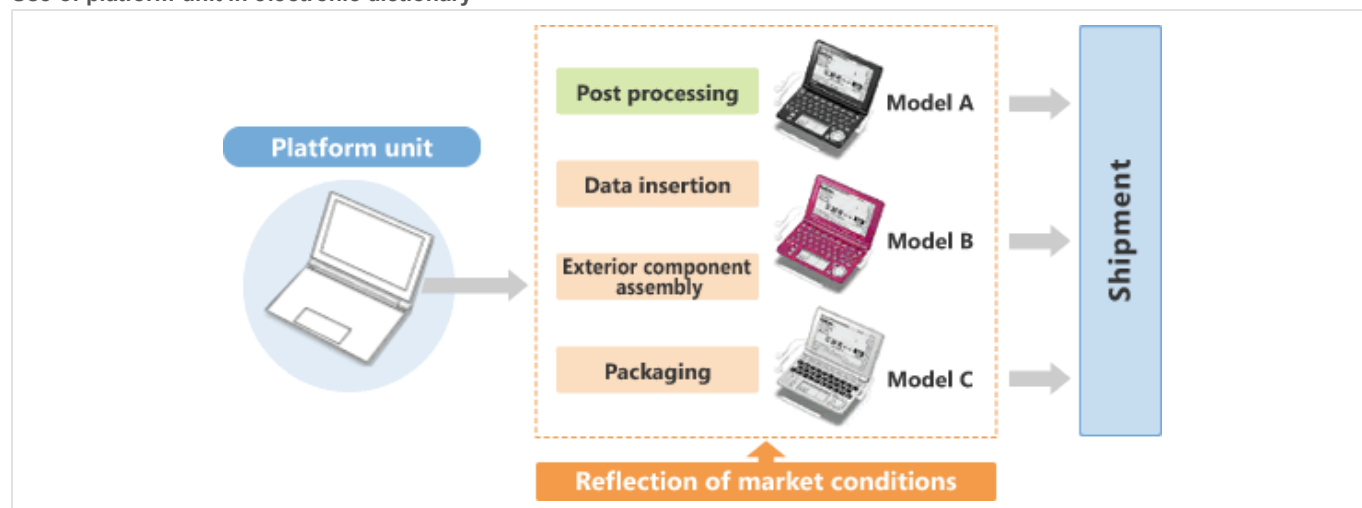


Platform design for flexible production

Casio's electronic dictionaries come in a variety of models and in a wide array of colors to meet the needs of today's diverse users. To efficiently produce product lineups that span a wide range of configurations, Casio integrates all the common parts of each product to create a single "platform unit." This allows Casio to keep costs down by ordering parts in large quantities, and to improve manufacturing efficiency by standardizing production processes.

Casio determines how many of each product to ship by looking at the market conditions immediately before shipment, inserting different types of content into the platform units, assembling the exterior, and then packaging the products. This allows Casio to supply only the number of models necessary in the shortest period of time.

Use of platform unit in electronic dictionary



Intellectual Property Initiatives

Casio is actively promoting intellectual property activities in line with its management strategy through cooperation between its R&D and business divisions. Based on these activities, the company aims to protect its businesses, and contribute to corporate profitability.

Policies for promotion of intellectual property activities

Casio takes a medium- to long-term perspective in order to increase its technology management ability, and is systematically promoting research and development for the creation of future business. While recognizing R&D results as intellectual property, Casio is taking steps to ensure that they are properly managed and utilized in order to secure profits. Casio places importance on intellectual property as an important measure of corporate value. In order to effectively promote intellectual property activities, Casio has set the following goals for promoting intellectual property activity, and implements them group-wide for effective utilization of intellectual property.

Intellectual property goals

“Making Casio a Company with Even Stronger Intellectual Property Capacity”

Casio is working to increase its intellectual property capacity using the following goals.

- Increase the intellectual property capacity of Casio
- Protect technology and products globally with strong intellectual property capacity
- Guarantee creative technology and product development through strong intellectual property capacity

Role of the Intellectual Property Center

Since its founding, Casio has worked to develop innovative new technologies and products that are completely original and have never existed before. The protection of these development results through the creation of intellectual property rights is vital to ensuring corporate competitiveness. At the same time, protecting Casio brands and designs from counterfeiting by securing intellectual property rights is also an important activity for the company.

The Intellectual Property Center aims to secure intellectual property rights on a global level. Its role is to utilize patent, design, and trademark rights in order to help establish competitive advantage for corporate management.

The center also broadly manages intellectual property (rights) such as copyrights and trade secrets as well as general intangible properties, while signing contracts with third parties and resolving disputes.

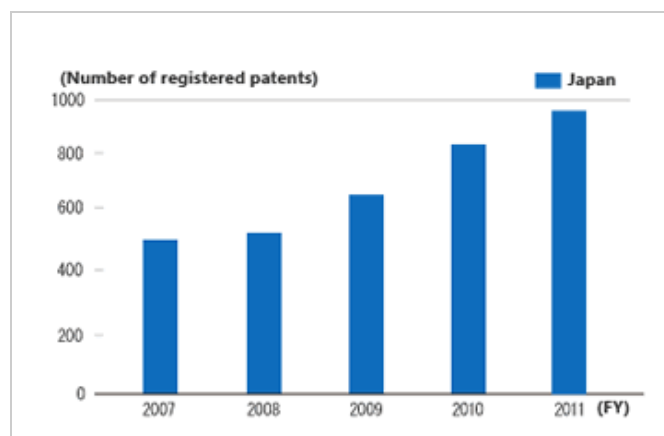
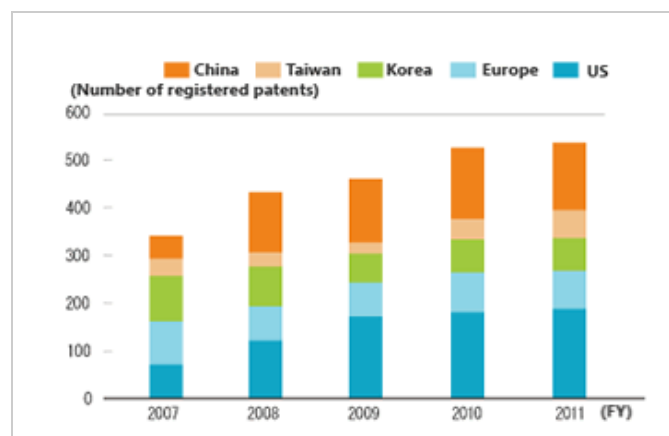
Intellectual property activities

Casio implements various intellectual property activities. Casio actively utilizes the intellectual property that it has accumulated over the years, and carries out activities to protect its businesses. The company conducts ongoing R&D necessary for sustained growth, and has put in place various systems for producing new intellectual property.

1. Patent application and rights acquisition activities

Casio constructs patent nets based on patent application and registration in priority fields (selection and concentration), and actively promotes activities for the acquisition of effective patents based on quality improvement. The company carries out patent application and rights acquisition activities worldwide, including in the USA, China, South Korea, Taiwan, and other Asian countries.

Global patent portfolio



2. Intellectual property rights utilization

In addition to securing intellectual property rights for its inventions and other proprietary developments, Casio works to ensure freedom of operations by preventing legal claims from other companies and earns profits by licensing its technologies to other companies (including cross licensing). The company also uses intellectual property as a barrier to deter other companies from entering the same business, and carries out activities to establish competitive advantage for corporate management. In particular, Casio takes stringent measures to combat counterfeit products, and cooperates with government agencies to remove fakes from the marketplace.

3. Patent expert system

Casio initiated a patent expert system in 1994 in order to promote the ongoing creation of outstanding intellectual property. With the aim of business strengthening through stronger intellectual property, engineers with high-level understanding of technologies and leadership skills have been assigned to each division as patent experts. While cooperating with the Intellectual Property Center from positions within their respective divisions, these patent experts work to strengthen the intellectual property abilities of their respective organizations.



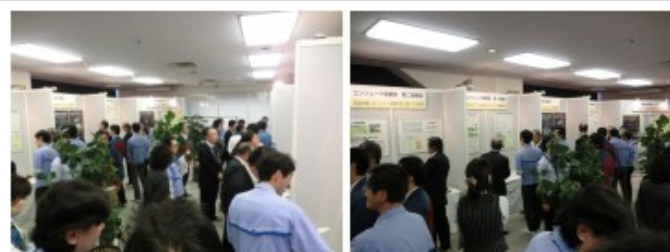
Meeting for patent experts

Here are details of specific activities.

1. Patent activity planning based on ascertainment of technology and development trends at Casio and other companies, as well as target management
2. Discovering and updating inventions
3. Evaluation of patent applications, determination of direction for patent creation according to business strategy, as well as evaluation of patent maintenance
4. Surveys of patents at other companies, patent infringement avoidance, and patent risk management
5. Creation of new businesses centered on intellectual property

4. Techno Power

Casio's in-house Techno Power technology exhibition began in 1992 and is held annually to stimulate engineers, and foster sharing and cross-fertilization of technology. By creating a place for engineers to present their results to top management, and an opportunity for outstanding engineers and designers to receive recognition (i.e., awards based on the suitability of intellectual property results), the exhibition is a source of pride and motivation for engineers and encourages them to take on the challenge of developing new technologies.



Techno Power exhibition

5. Invention award system

Since 1968, Casio has had an award system for those employees that contribute to inventions and designs. By increasing the incentive for inventors and designers, the system fosters the desire for in-house engineers to take on the challenge of discovering new technologies. In accordance with Article 35 (Inventions by Employees) of Japan's revised Patent Act, which took effect in April 2005, Casio has revised its environment for employee inventors. It updated its intellectual property rules and created a consultation process in which the employee inventors can voice opinions in the revision of the rules. It also implemented a system for employee inventors to file an objection to monetary reward amounts. Based on the demands of employee inventors, the rules were revised again in April 2006 and April 2011.

6. Intellectual property training system

In order to create a stronger awareness about the acquisition of intellectual property, Casio holds intellectual property seminars to deepen employee understanding and interest in intellectual property. The company also distributes relevant information online (through intellectual property website content), and uses outside educational organizations such as the Japan Intellectual Property Association and the Japan Institute of Invention and Innovation. In this way, the company is promoting various intellectual property education activities.

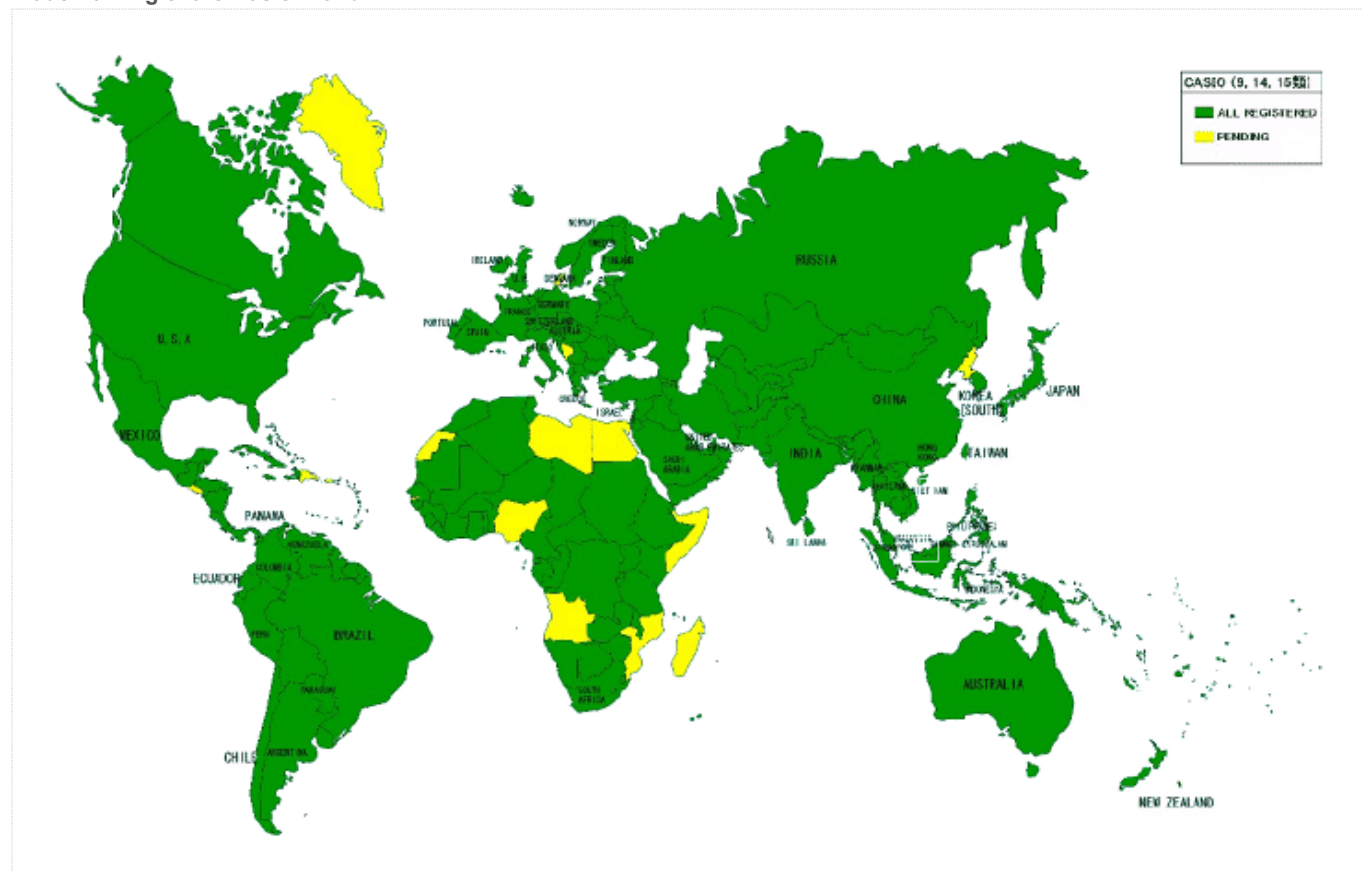
7. Brand support activities

Protecting rights to the Casio brand

In order to promote smooth corporate operations on a global level, the company protects the Casio brand with 2,024 registered trademarks in 197 countries around the world, most of which are product trademarks. In 2009, the Casio brand was recognized as a well-known trademark by the Chinese authorities (see the related Highlight column).

In recent years there have been more trademark applications by other companies—mainly in emerging economies such as China and India—which try to mimic the well-known Casio brand. As a result Casio has been strengthening its monitoring activities and its efforts to prevent the trademarking of look-alike brands.

Trademarking of the Casio Brand

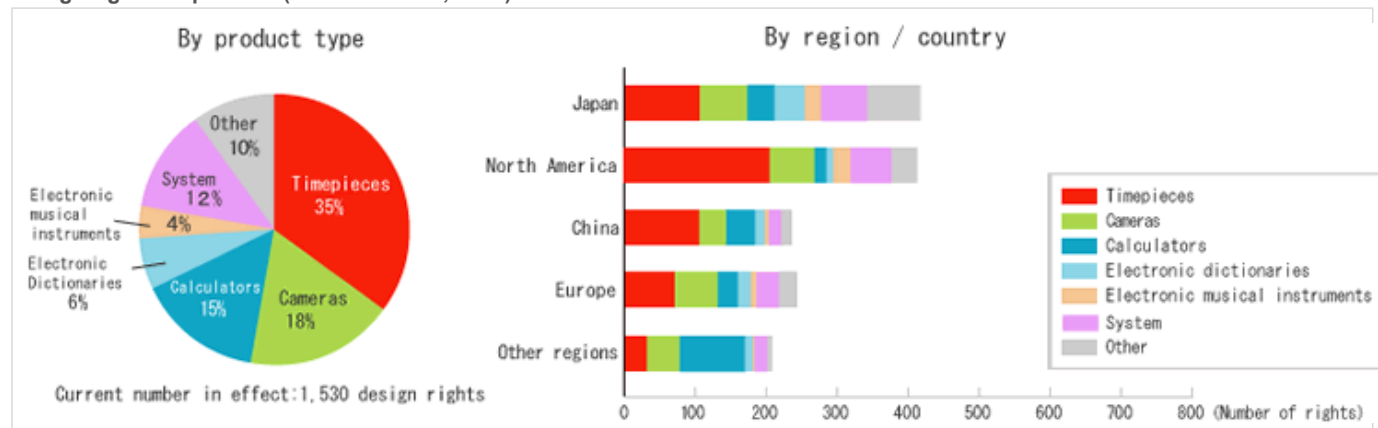


Casio has registered the Casio brand for product trademarks in the countries indicated in blue. In the countries indicated in yellow, trademark review has been delayed in one area, there is no trademark system, or applications are not being accepted due to the politician situation.

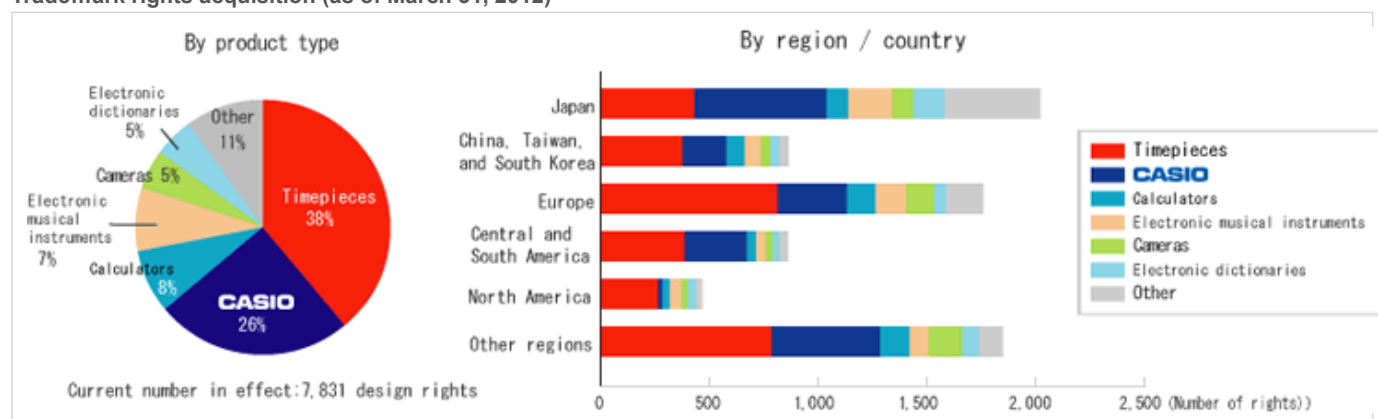
Activities for minimizing risk entailed by new product naming and design, as well as rights acquisition

While avoiding the risk of infringing upon the design or trademark rights of other companies, Casio is actively promoting business support activities based on the strengthening of Casio's own design and trademark rights.

Design rights acquisition (as of March 31, 2012)



Trademark rights acquisition (as of March 31, 2012)



Counterfeit product removal and consumer protection activities

Counterfeit versions of Casio watches and calculators can be found around the world, and they can have a large negative impact on sales. In 2005, Casio began holding regular group-wide conferences combat fake products. At these meetings, employees discuss the damage situation, priority of countermeasures, and the degree of importance. Business divisions and sales departments at headquarters are committed, and Casio is working to strengthen its counterfeiting countermeasures in China, Hong Kong, and other consumer countries. At the same time, Casio has appointed an employee in charge of counterfeiting countermeasures at Casio Shanghai, and is strengthening efforts to stop these products at Chinese factories and in customs inspections.

Activities to Improve Customer Satisfaction

Casio is striving to improve customer satisfaction through three major activities.

Activities to Improve Customer Satisfaction

Aiming to further improve customer satisfaction (CS), Casio has focused on strengthening the three major CS initiatives listed below since fiscal 2009. Casio is working to incorporate the voice of the customer more than ever before in the creation of even better products.

1. **After-sales CS:** Responding to customer requests and inquiries with service that is “rapidly,” “exactly” and “politely”
2. **Functional CS:** Striving to create value and product functionality that leads to customer satisfaction
3. **Quality CS:** Working to strengthen product quality to assure customer satisfaction

Under these three major CS activities, Casio is investing in programs to improve product knowledge, repair technical skills, and customer service skills.

In fiscal 2012, Casio once again carried out Internet surveys using its own method, which it established in fiscal 2010 to ensure continual assessment of customer satisfaction levels, particularly with regard to after-sales CS activities.

Casio is also working hard to ensure that customer feedback from in and outside Japan is always delivered directly to the right place within the company, and to take unified improvement measures. Casio is also constantly working to improve product functions (functional CS).

Casio compiles and analyzes information on customer inquiries and product defects in and outside Japan. It focuses on early detection, rapid response and prevention of recurrence of problems (quality CS).

Quality Assurance

In all of its business processes, Casio always takes the customer's perspective and bases its actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule). Casio focuses on daily improvement in order to provide customers with reliability and peace of mind, and to meet customer demands with speed and integrity.

"Casio Quality"-World-class Quality Assurance

In order to deliver products and services that offer reliability and peace of mind to customers, Casio is constantly working on improvements to pursue the best solution for customers.

Quality assurance at Casio

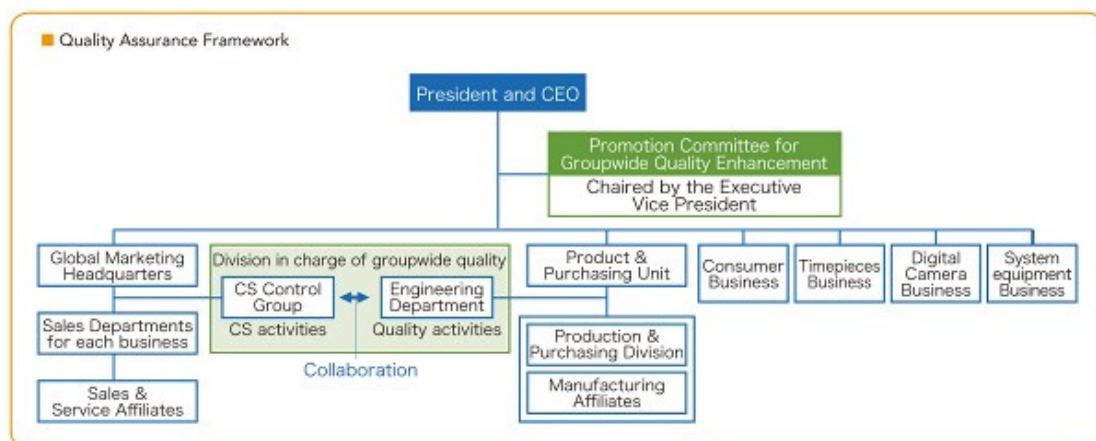
Casio believes it is important not only to provide products and services that delight customers, but also to win acceptance from the whole of society and achieve mutual prosperity. Toward this end, Casio Quality includes everything from the quality of individual products, to environmental protection and recycling. The role of quality assurance is to deliver quality that satisfies customers in every possible way.



Quality assurance system

In order to carefully maintain and improve Casio Quality, the company has created the quality assurance system shown in the diagram below. Chaired by the Executive Vice President, the Promotion Committee for Group-wide Quality Enhancement meets twice a year. It pursues activities such as making quality data accessible and easy to understand, and sharing quality information, while passing resolutions on quality policy and measures. The results are used for quality assurance activities in each division.

Quality Assurance Framework



As the division in charge of group-wide quality management, the CS Department (within the Global Marketing Headquarters) has been linked together with the Engineering Department (within the Production & Purchasing Division). By closely connecting the product development and sales teams, Casio is working hard to ensure quality, with the cooperation of all departments, while always pursuing the best solution for customers.

In order to create a common group-wide awareness of "Quality First" being the foundation all operations, strong leadership is essential from top management and those responsible for quality. The Promotion Committee for Group-wide Quality Enhancement implements training to ensure employees understand and are widely aware of regulations and standards relating to quality and safety, and to learn technology expertise. This includes holding presentations for the improvement of quality management skills.

Moreover, Casio is striving to raise the level of quality initiatives and improve the quality skills of employees, including the holding of in-house seminars given by outside instructors.

Casio's production plants carry out plan-do-check-act (PDCA) cycles using the ISO 9001 Quality Management System. In order to deliver reliability and peace of mind to customers that use Casio products, Casio employees focus on daily improvement.

List of ISO 9001 Certified Sites

Classification	Certified and Registered Sites	Initial Version Registration Date
Development, Production and Service Sites in Japan	Product Solution Department, System Product Division, Casio Computer Co., Ltd.	June 25, 1994
	Kofu Casio Co., Ltd.	August 1, 1994
	Casio Electronic Manufacturing Co., Ltd.	August 5, 1994
	Yamagata Casio Co., Ltd.	December 16, 1994
	Casio Techno Co., Ltd.	May 21, 2004
Production Sites outside Japan	Casio (Thailand) Co., Ltd.	July 13, 2012
	Casio Electronic (Shenzhen) Co., Ltd., Guandu Factory	March 22, 2002
	Casio Electronic Technology (Zhongshan) Co., Ltd.	October 26, 2006

Pursuing top quality

Casio's efforts to achieve premium quality are guided by a clearly articulated Quality Concept and Quality Management Policies, which provide indices for evaluating all quality initiatives.

Quality Concept

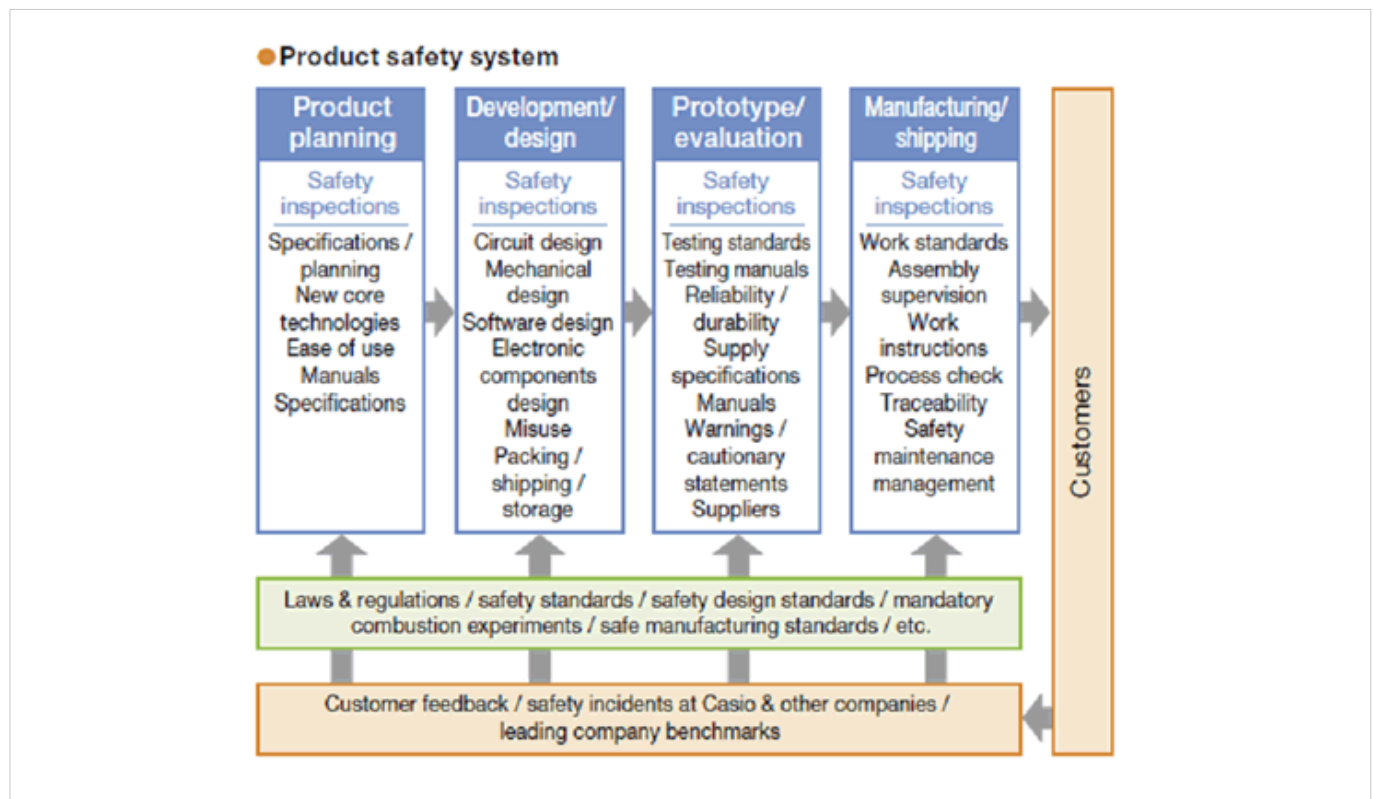
Casio maintains a strong quality assurance system, based on its belief in "Quality First." This system requires all employees to make quality their first concern in every task they perform, enabling the company to offer products and services that please and impress customers. The company's commitment to quality supports its corporate growth and makes social contributions possible, while at the same time winning customers' trust and giving them peace of mind.

Quality Management Policies

- To build a good corporate image, we offer products and services that please and impress our customers, gain their strong trust, and ensure their peace of mind.
- We respond to our customers' requests and inquiries with sincerity and speed, and reflect their valuable comments in our products and services.
- In all our business processes, we base our actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule)—and adhere to the basics of business operations.
- We capture and analyze quality assurance activities quantitatively, using reliable data, and use the analysis to make continuous improvements. We also maintain a quality information system that enables the sharing of quality information and prevention of problems before they occur, and prevents recurrence of quality problems.

Offering Users Peace of Mind

Casio makes every effort to ensure product safety so that customers can always use Casio products with peace of mind. As shown in the diagram below, Casio works to ensure product safety in each process from product planning, development, and design, to trial manufacture, evaluation, production, and delivery. In order to maintain and enhance these efforts, the company performs safety audits and works to prevent potential problems from occurring, or issues from reoccurring.



To comply with the legislative intent of Japan's recently revised Consumer Product Safety Act, which went into force on May 14, 2007, the Casio board of directors has adopted the Fundamental Policies on Product Safety. Based on these policies, Casio has put in place the Product Safety Voluntary Action Plan which specifies the details of the steps to be taken. The company has also reengineered its response systems for handling those unusual situations when a product-related accident occurs, and has established procedures for managing such situations. These include the steady, timely collection and dissemination of accident information, the issuance of notifications and reports to customers and relevant administrative agencies, prompt, appropriate response measures, efforts to identify causes, and measures to prevent any future recurrence.

Customer Support Center/Ensuring customer satisfaction

Aiming to build enduring relationships of trust with customers, Casio values customer communication and incorporates the voice of the customer into its efforts to improve products and services.

Customer Support Center activities

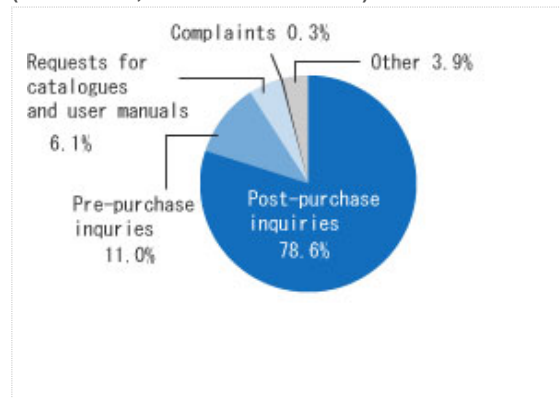
In order to promote long-lasting relationships of trust with customers, the Customer Support Center strives to respond to customer inquiries rapidly, exactly, politely and sincerely. The Customer Support Center strives to resolve any issues customers may have.

Casio is working to expand its training programs for improving the primary skills of customer support staff, including technical, communication, and writing skills. These abilities are required every day to properly provide customers with the useful information that they need. The Customer Support Center also aims for the fast and accurate resolution of customer inquiries by standardizing customer response procedures in writing.

Customer inquiries and complaints are welcomed as important customer feedback. After analyzing the content of this feedback, the relevant departments and the Customer Support Center work together to implement improvement measures, and these efforts help to improve customer satisfaction for Casio products and services.

Casio is also working hard to develop a structure for building positive relationships with its customers around the world in partnership with customer support centers at local sales subsidiaries outside Japan.

**Breakdown of Customer Inquiries in Japan
(Fiscal 2012, Consumer Products)**



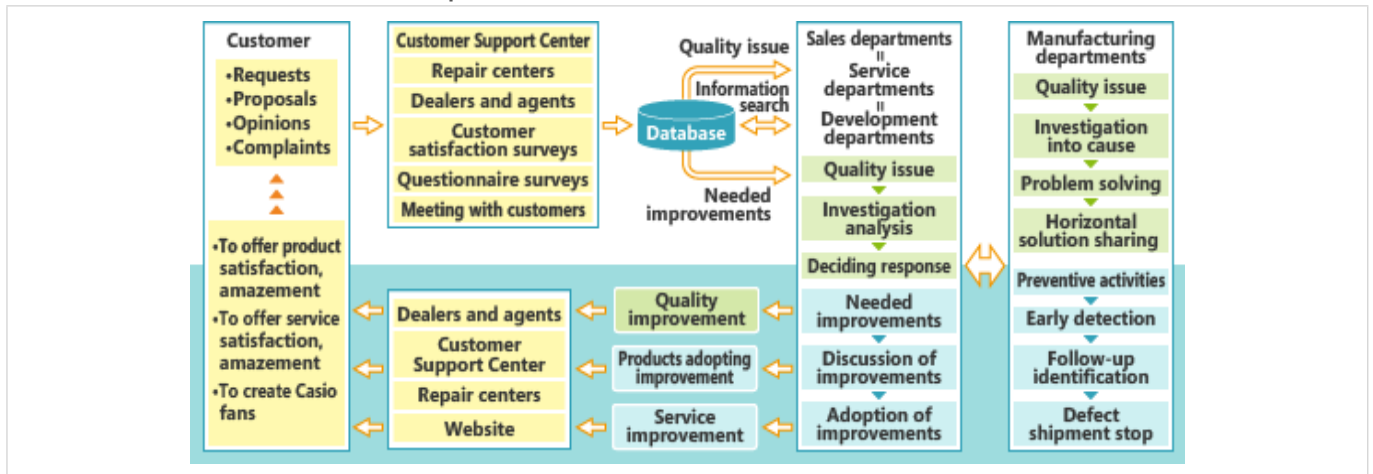
Breakdown of Product Inquiries (Fiscal 2012, Overseas/Japan)

Item	Fiscal 2012	
	Overseas	Japan
Timepieces	39.4%	27.7%
Digital Cameras	25.7%	17.9%
Calculators	7.9%	3.4%
Other Consumer Products	9.5%	28.2%
System Equipment	17.6%	22.8%
Total	100.0%	100.0%

Customer Support Center



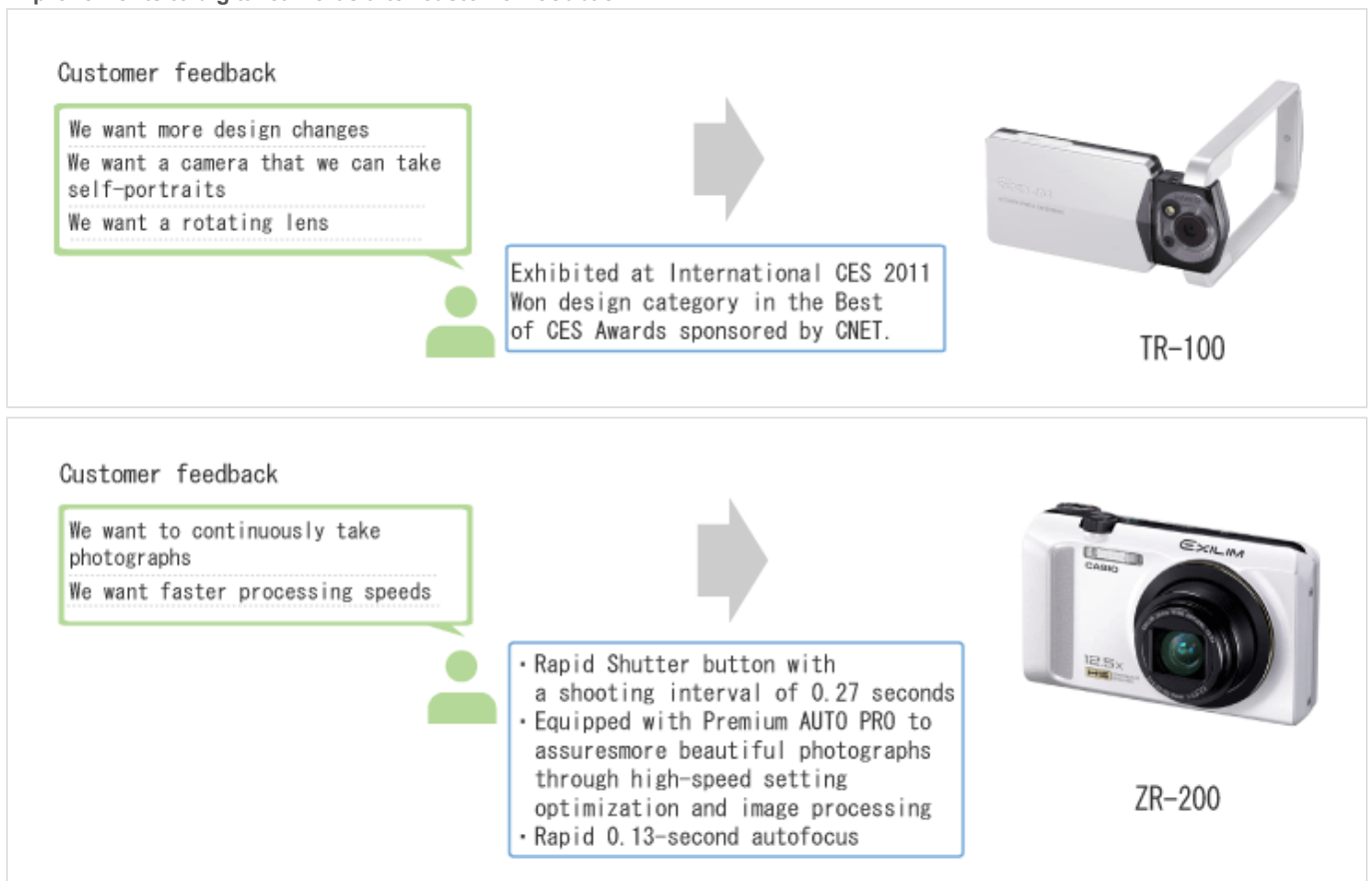
How customer comments are utilized for products and services



Ensuring customer satisfaction

The voice of the customer is essential information for product improvement, and Casio regularly conducts customer satisfaction surveys. While also referencing customer comments received by the Customer Support Center, Casio is striving to develop even better products and improve the level of customer satisfaction.

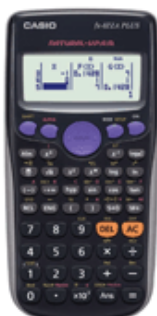
Improvements to digital cameras after customer feedback



Global Teachers Meeting Spurs Product Development

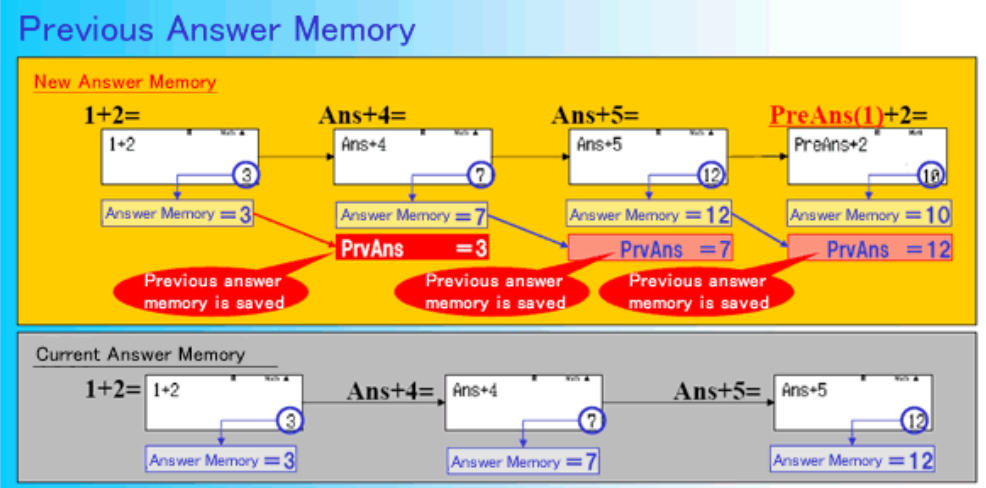
Nearly every year since 2007 Casio has held a Global Teachers Meeting, inviting teachers from around the world who are passionate about mathematics education and research to the Hamura R&D Center and Casio headquarters in Hatsudai. The aim of the meeting is to contribute to the development of mathematics education in actual classrooms by using feedback from teachers to develop products that meet real-world educational needs.

The Global Teachers Meeting did not take place in fiscal 2012 due to the Great East Japan Earthquake. However, based on demand from the real world of education expressed at previous meetings, Casio developed a calculator model exclusively for South Africa, a country which is experiencing astonishing economic development. In the development of the calculator, Casio held repeated consultations on the detailed specifications with classroom teachers via local agencies to produce an easier-to-use calculator that is tailored to the local mathematics curriculum. Thanks to these efforts, the new calculator is the world's first general scientific calculator to include dual table and PreAns functions. These functions have received high acclaim from South African educators.

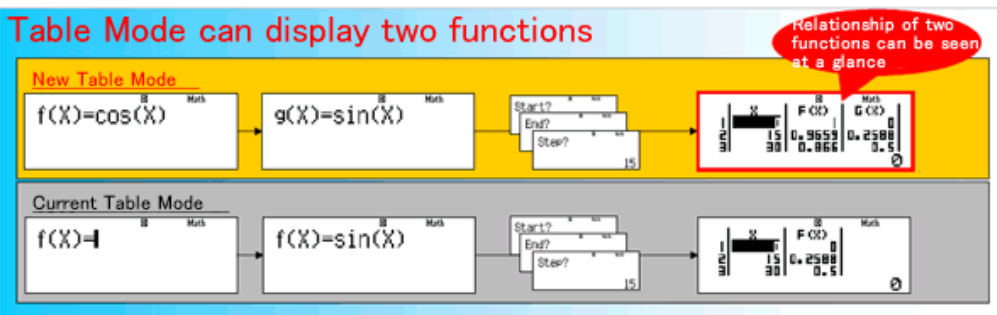


Scientific Calculators fx-82ZA PLUS

Previous Answer Memory



Advanced Table Mode



Advanced Table Mode

OCEANUS User Manual Wins Excellence Award (in Its Category) at Japan Manual Contest

On October 7, 2011, Casio's OCEANUS user manual won an Excellence Award in the Paper Manuals – Operations Manuals Category 1 of the Japan Manual Contest 2011 held by the Japan Technical Communicators Association.

Consumers often say that they can't be bothered to read the manuals for small, multi-function products or that they don't know where to find the information they need in the manual. Addressing these concerns, the company focused on making improvements in the three areas below to allow customers to make the most of their new Casio multi-function watches.

- (1) Listing what the customer should do first at the beginning of the manual to facilitate immediate use straight after purchase;
- (2) Condensing information, reducing text, and using easy-to-read Universal Design fonts;
- (3) Designing the shading of lines in the illustrations of watches to highlight areas for customer attention.

The comments received from the contest judges included, "Easy to read despite the small size," "Clearly organized, which conveys a sense of quality," and "Easy to navigate."

Looking ahead, Casio will extend the format from this manual to its other watch brands. The goal is to make it possible for customers to use a Casio watch without any stress and make them feel happy that they chose Casio.



Illustrations are simple with the watch parts related to the operation being discussed accentuated. Text is kept to a minimum to ensure that the manual is easy to read despite the small size.

Providing Support Information/Repair Service

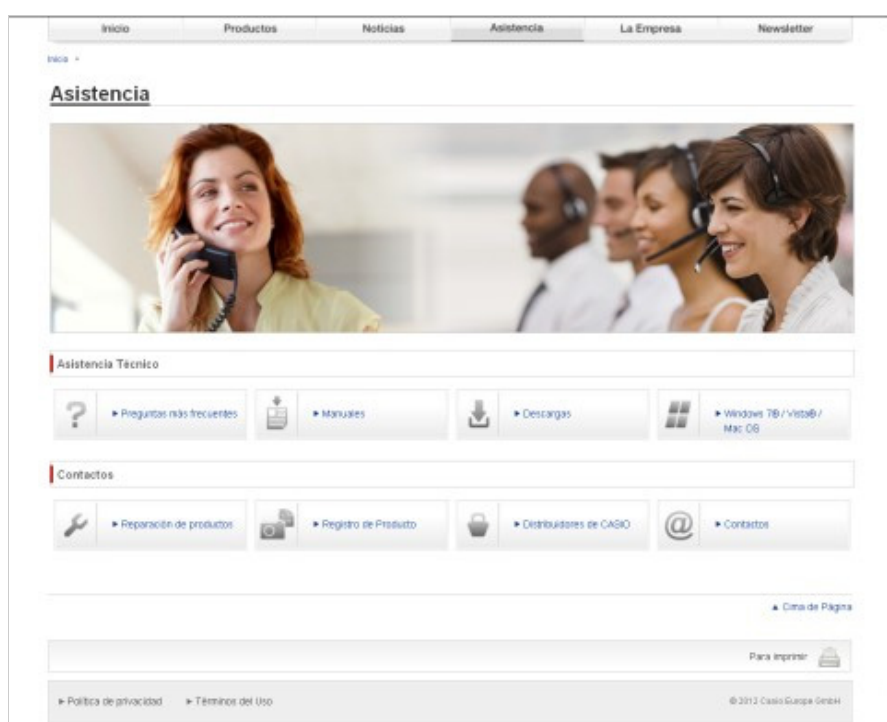
Casio is improving its system for providing product support information, as well as the service skills of its staff, to ensure customer satisfaction and peace of mind.

Online support sites

Casio has customer support websites for various regions around the world, offering customers convenient access to information 24 hours a day, 365 days a year. In order to ensure that customers can use Casio products with confidence and peace of mind, these websites provide product operation, repair and other support information that customers may need in 17 languages.

In fiscal 2012, Casio analyzed the number of visits and duration of visits for each of the pages on its Japanese website and made improvements to make it easier for customers to reach the page they want with fewer clicks.

Casio continues to monitor and analyze the traffic at each of its websites. Casio is continually working to improve and expand its online support sites so that customers can get the information they need before having to call the Customer Support Center.



Online support sites

Repair service in Japan

Casio's service departments, which are responsible for product repairs, strive to satisfy customers by providing after-sales service that fulfills three commitments: reliable technology, prompt response, and reasonable service fees.

Reliable technical skill

Casio is working to improve repair technical skills, product knowledge, and customer service skills (through training programs and in-house competitions, for example) in order to maintain customer confidence and realize the kind of service quality that customers expect.

At Casio Techno Co., Ltd., which handles repair of Casio products, employees have been working constantly to obtain external qualifications for a number of years. In the past few years, Casio Techno has been encouraging its employees to obtain the recommended qualification for each department with reference to the skill standards for IT professional (ITSS) career framework. All of its employees have an obligation to obtain qualifications which involve systematic study of basic internet knowledge, such as ".com Master," and this is mandatory in all departments.

Prompt response

Casio is taking steps to improve operations by focusing on parts procurement, the repair system, and repair technical skill, so as to shorten repair time and return repaired products to customers as quickly as possible. As part of these efforts, in June 2012, a repair center for consumer products was established in Osaka in western Japan, which has convenient logistics and can easily reach a large number of customers. This repair center is equal in size to the East Japan Repair Center, which is currently responsible for eastern Japan. Starting in fiscal 2011, Casio also reduced the service fees for its online pick-up repair service. This service is very convenient for customers who do not have the time to take a digital camera, electronic dictionary, or watch to a service center or retailer. They just go online and schedule a pick-up and repair. This is an example of Casio's commitment to improving repair services and reaching more customers, and Casio is actively promoting this new pick-up service.

Reasonable service fees

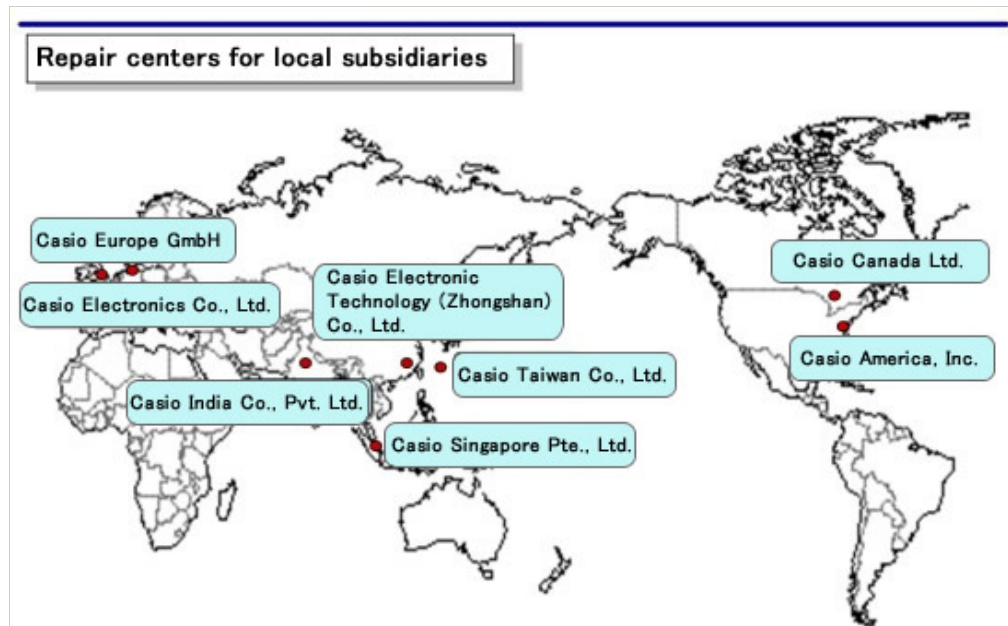
Casio is striving to ensure reasonable repair fees by controlling costs through the improvement of methods for repair and parts procurement. In fiscal 2012, as a support measure for people in areas stricken by the Great East Japan Earthquake, Casio repaired consumer products at half the usual price for a six month period through September 30, 2011. Going forward, Casio will continue to look for ways to keep reasonable repair fees for customers.

Repair service of overseas

Outside Japan, a total of 736 companies, which include 8 local subsidiaries and 728 repair partner companies, carry out repairs of Casio products worldwide.

Casio holds regular technical skill courses in each region in order to improve the acquisition of repair technical skill and to raise skill levels to ensure that Casio customers around the world receive high-quality repair services. At the same time, Casio is working hard to continually assess and improve repair time, quality, and costs at each repair center.

Casio also holds regular regional conferences for service managers in each country in order to disseminate improvement activities under its three major CS activities aimed at improving customer satisfaction worldwide. Casio held such conferences in China, India, and Russia in fiscal 2012.



Service technical course (Europe)



Service managers' conference (India)

Stable Supply of Products

Casio's primary mission is to deliver the products desired by customers at the right time. The company is working to strengthen its global supply chain, and to continue providing cutting-edge products without interruption.

Approach to stable product supply

Delivering a stable supply of products to consumers is one of the most important responsibilities of a manufacturer, and is required to ensure customer satisfaction and loyalty.

As part of Casio's mission to provide delight, happiness, and pleasure to customers through its innovative products, the company is promoting the following policies.

Policies on Stable Product Supply

1. We strive to shorten production lead-time and improve planning and execution accuracy by using IT to streamline the supply chain (procurement-production-logistics-sales-service).
2. We build good relationships with component suppliers to ensure stable procurement.
3. We maintain the flexibility needed to address various risks involved in manufacturing by:
 - building a production system with at least two production sites for each product;
 - producing multiple products at each Casio Group production site
 - maintaining in-house production and inlining of key devices and components.

Supply network is highly responsive to changes in demand

Since sales for products such as electronic dictionaries for education (for schools, teachers and students) are concentrated in the early spring when the Japanese school year starts, this makes accurate sales planning more difficult. On the other hand, the components at the core of these products, such as semiconductors and display devices, have a procurement lead time that is determined by the market. This means long-term planning is required.

Accordingly, Casio has taken various measures to minimize the loss of sales opportunities, and has worked to expand its market share.

One such measure is the operation of parallel supply chain management systems (SCM) at the headquarters procurement division and a production site, in order to enhance capacity simulation speed.

Production sites carry out simulations based on sales plans provided by the sales department, and calculate the personnel and equipment levels needed for production, before making the necessary arrangements. The materials procurement department adjusts the procurement quantities every week by looking at information on materials to be received and the models prioritized by the sales department. These efforts help ensure timely production delivery.

In the case of electronic dictionaries, by using common platforms as base models, and performing primary assembly production, it is possible to add individual model specifications, such as dictionary content, display panels, and keyboards, during secondary assembly just prior to delivery. This enables Casio to rapidly meet changes in customer demand.

In the past, all parts procurement was carried out three months in advance. However, through the use of model platforms, the lead time for final product specifications determination has been shortened to just two weeks in advance, which also helps minimize surplus production.

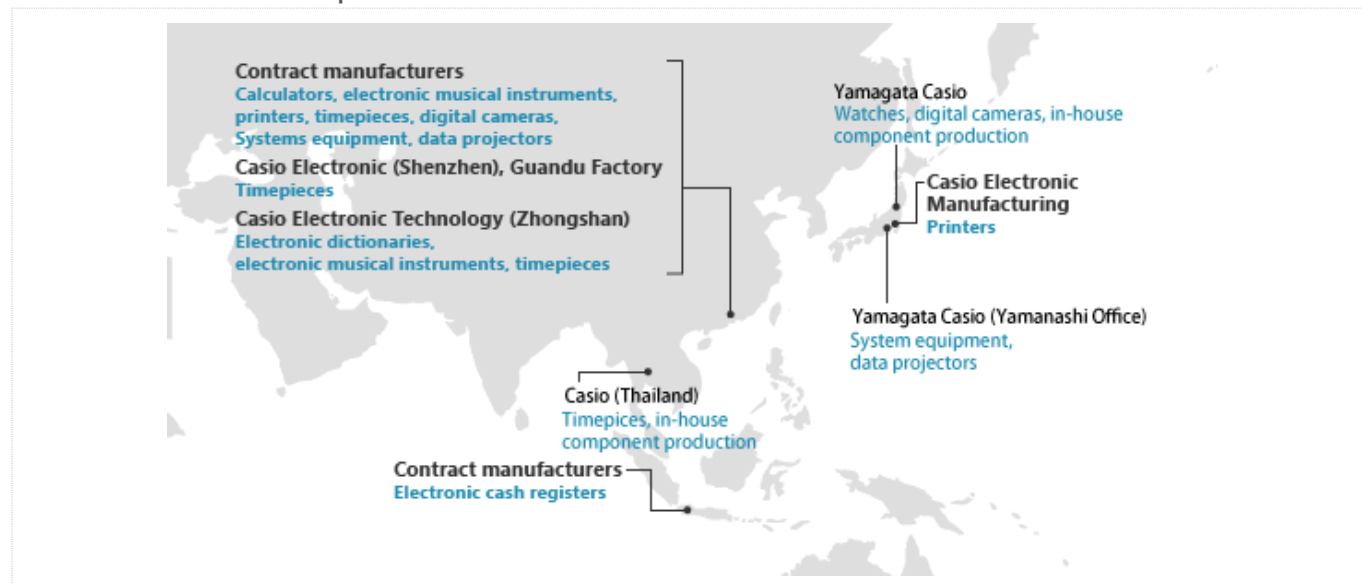
Casio responds to the competitive and rapidly changing market for digital cameras by using weekly supply chain management in all divisions for sales, procurement and production.

Diversifying production risk and producing core components in-house

Casio maintains a stable supply of products by having each production site manufacture multiple product items, and by ensuring that two different sites can produce any given Casio product.

The company is also increasing the internal production of components in order to protect newly created technologies and to reduce parts procurement risk.

Production sites for individual products



Casio's plant in Nava Nakorn Industrial Park of Pathum Thani Province in Thailand was damaged by the October 2011 flooding. Moving quickly, the Casio Group was able to meet its supply obligations by switching production to manufacturing sites in Japan and China. At the same time, Casio brought forward the opening date of its new plant in Nakhonratchasima Province, a different part of Thailand, where preparations for operation had been underway. This new Thai plant is located on high ground not vulnerable to flooding. Looking ahead, Casio plans to increase the manufacturing functions at the plant, making it one of the main production sites in the Casio Group, by expanding the number of products manufactured as well as producing components on site.

Although Casio was able to adapt in 2011, the recent flooding in Thailand has brought a range of issues into sharp focus. The Casio Group is currently addressing these issues in a review of its business continuity plans at the company's production sites outside Japan.