

Consolidated Financial Results for the First Quarter Ended June 30, 2009

July 31, 2009

Company Name: **CASIO COMPUTER CO., LTD.**

(URL <http://www.casio.co.jp>)

Stock Exchange Listings: Tokyo

Code Number: 6952

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Start of Distribution of Dividends (Scheduled): -

1. Consolidated Financial Results for the Three Months from April 1, 2009 to June 30, 2009

Monetary amounts are rounded to the nearest million yen.

(Millions of yen)

(1) Operating Results (Percentages indicate changes from the same period of the previous fiscal year.)

	Net sales	Operating income	Ordinary income	Net income
	%	%	%	%
Three months ended June 30, 2009	81,526 (29.7)	(7,438) -	(5,819) -	(2,382) -
Three months ended June 30, 2008	116,032 -	4,164 -	5,508 -	3,946 -

	Net income per share (Yen)	Diluted net income per share (Yen)
Three months ended June 30, 2009	(8.59)	-
Three months ended June 30, 2008	14.30	14.12

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
			%	
As of June 30, 2009	397,104	178,392	44.8	641.69
As of March 31, 2009	444,653	184,981	41.2	660.28

(Reference) Equity: As of June 30, 2009: 178,020 million yen
As of March 31, 2009: 183,157 million yen

2. Dividends

(Record date)	Dividends per share (Yen)				
	June 30	September 30	December 31	March 31	Annual
Year ended March 31, 2009	-	-	-	23.00	23.00
Year ending March 31, 2010	-	-	-	-	-
Year ending March 31, 2010 (Forecast)	-	-	-	23.00	23.00

(Note) Revision of dividends forecast made during the three months ended June 30, 2009: No

3. Consolidated Results Forecast for Fiscal 2010 (From April 1, 2009 to March 31, 2010)

(Millions of yen)

(Percentages indicate changes from the previous fiscal year for the full year and from the previous interim period for the interim period.)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (Yen)
	%	%	%	%	
First Half	250,000 (8.2)	5,000 (72.5)	2,500 (85.8)	1,000 (89.7)	3.60
Fiscal 2010	530,000 2.3	15,000 273.5	10,000 -	5,000 -	18.02

(Note) Revision of consolidated results forecast made during the three months ended June 30, 2009: No

4. Others

(1) Changes in consolidated subsidiaries (Changes in scope of consolidation): No

(2) Application of the simplified accounting method and/or the special accounting method for quarterly consolidated financial statements: Yes

1. Method of valuation of inventories
2. Method of calculation of noncurrent assets depreciation
3. Method of calculation of income taxes, etc. as well as deferred tax assets and deferred tax liabilities

(3) Changes in accounting policies, procedures, presentation method, etc. for quarterly consolidated financial statements

- (a) Changes in accordance with revisions to accounting standards: Yes
Application of "Accounting Standard for Construction Contracts" and its related guidance
- (b) Changes other than (a) above: No

(4) Number of shares outstanding (common stock)

(a) Number of shares outstanding (including treasury stock):

As of June 30, 2009: 279,020,914 shares

As of March 31, 2009: 279,020,914 shares

(b) Number of treasury stock:

As of June 30, 2009: 1,598,065 shares

As of March 31, 2008: 1,628,789 shares

(c) Average number of shares outstanding:

As of June 30, 2009: 277,401,060 shares

As of June 30, 2008: 275,957,456 shares

Proper Use of Business Results Forecasts and Other Notes

(Caution Concerning Forward-looking Statements)

The forward-looking statements, including business results forecasts, contained in these materials are based on information currently available to the company and on certain assumptions deemed to be reasonable. Actual business results may differ substantially due to a number of factors. Please refer to Qualitative Information and Financial Statements, Qualitative Information about Consolidated Results Forecasts, on page 4 for the suppositions that form the assumptions for business results and cautions concerning the use of business results forecasts.

Qualitative Information and Financial Statements

Qualitative Information about Consolidated Operating Results

During the first quarter of the current fiscal year, the outlook remained uncertain despite some signs of economic recovery in and outside Japan following the rapid deterioration that began in the autumn of 2008. The business environment in which Casio operates has remained harsh as a result of the prolonged slump in consumer spending.

In this environment, consolidated net sales for the first quarter fell 29.7% year-on-year to ¥81.5 billion. By segment, sales dropped 26.8% to ¥70.7 billion in the Electronics segment, and fell 44.5% to ¥10.7 billion in the Electronic Components and Others segment.

The digital camera business generated lower sales due to the depreciation of European currencies and the harsh business environment. However, Casio maintained its high share of the Japanese market, primarily attributable to sales of the EXILIM ZOOM EX-Z400, which boasts Dynamic Photo, a function unique to Casio that sets it apart from its competitors. In the cellular phone business, although sales decreased due to the slump in the Japanese market, sales of cellular phones for US-based Verizon Wireless were strong, mainly due to the launch of the EXILIM Phone C721, a new model equipped with a 5.1 megapixel camera, in addition to the popular G'zOne phone. Sales in the Electronic Components segment were also down, primarily due to the impact of sluggish demand for digital cameras and cellular phones as well as lower unit prices on TFT LCDs.

Turning to income for the first quarter of the current fiscal year, the Electronics segment posted an operating loss of ¥5.3 billion, primarily due to lower sales of digital cameras and cellular phones. However, timepieces and electronic dictionaries remained highly profitable. The Electronic Components and Others segment recorded an ¥0.8 billion operating loss, attributable to lower sales of TFT LCDs. As a result, Casio posted a total consolidated operating loss of ¥7.4 billion, allowing for elimination or unallocated amount. Casio also posted an ordinary loss of ¥5.8 billion and a net loss of ¥2.3 billion.

Qualitative Information about Consolidated Financial Position

Total assets on a consolidated basis at the end of the first quarter of the current fiscal year stood at ¥397.1 billion, down ¥47.5 billion compared to the end of the previous fiscal year, owing to a decline in notes and accounts receivable-trade. Net assets fell ¥6.5 billion compared to the end of the previous fiscal year to ¥178.3 billion, due to the net loss and dividend payments. As a result, the equity ratio was 44.8%.

Net cash used in operating activities was ¥3.0 billion, net cash used in investing activities was ¥2.6 billion, and net cash used in financing activities was ¥12.0 billion. As a result, consolidated cash and cash equivalents at the end of the first quarter of the current fiscal year stood at ¥86.8 billion, a decrease of ¥17.4 billion from the end of the previous fiscal year.

In the future, Casio will continue with its determined pursuit of effective management of its business assets, aiming to build a completely strong, stable financial structure.

Qualitative Information about Consolidated Results Forecasts

Sales of cellular phones were impacted by the unexpectedly stagnant Japanese market in the first quarter of the current fiscal year, however, Casio expects to compensate for this result through the performance of other businesses in the Stable Business product category in the second quarter. Accordingly, forecasts of consolidated performance for the fiscal year ending March 31, 2010, have not been revised from those initially announced on May 12, 2009.

Taking a long-term perspective, Casio intends to strengthen its profitability and reinforce its management and financial structure while leveraging its universally accepted and unique technology to proactively expand its new products globally.

Notes concerning results forecasts

- 1) Exchange rates are estimated at US\$ 1 = ¥95 and Euro 1 = ¥125
- 2) The forward-looking statements including business results forecasts are based on information currently available to the company and on certain assumptions deemed to be reasonable. Actual business results may differ substantially due to a number of factors. Key factors affecting actual business results may include, but are not limited to, the economic circumstances surrounding the company's business, fluctuations in the exchange rates of major currencies including the yen-dollar rate, and significant changes in product prices.

Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009
Assets		
Current assets		
Cash and deposits	34,526	32,982
Notes and accounts receivable-trade	49,820	79,150
Short-term investment securities	42,177	65,830
Finished goods	35,423	33,100
Work in process	5,211	4,612
Raw materials and supplies	13,675	13,572
Other	44,690	49,811
Allowance for doubtful accounts	(758)	(858)
Total current assets	224,764	278,199
Noncurrent assets		
Property, plant and equipment	74,850	74,686
Intangible assets	15,361	13,806
Investments and other assets		
Investment securities	58,325	54,564
Other	23,927	23,517
Allowance for doubtful accounts	(123)	(119)
Total investments and other assets	82,129	77,962
Total noncurrent assets	172,340	166,454
Total assets	397,104	444,653

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	54,067	83,577
Short-term loans payable	21,406	16,634
Income taxes payable	1,399	2,085
Provision for product warranties	1,591	1,611
Other	50,315	65,694
Total current liabilities	128,778	169,601
Noncurrent liabilities		
Bonds payable	10,000	10,000
Bonds with subscription rights to shares	50,000	50,000
Long-term loans payable	10,450	10,450
Provision for retirement benefits	8,110	7,378
Provision for directors' retirement benefits	2,673	2,640
Other	8,701	9,603
Total noncurrent liabilities	89,934	90,071
Total liabilities	218,712	259,672
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,454	65,503
Retained earnings	74,565	83,327
Treasury stock	(3,541)	(3,612)
Total shareholders' equity	185,070	193,810
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,546	(1,304)
Deferred gains or losses on hedges	(411)	(501)
Foreign currency translation adjustment	(8,185)	(8,848)
Total valuation and translation adjustments	(7,050)	(10,653)
Minority interests	372	1,824
Total net assets	178,392	184,981
Total liabilities and net assets	397,104	444,653

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2009
Net sales	116,032	81,526
Cost of sales	82,433	62,256
Gross profit	33,599	19,270
Selling, general and administrative expenses		
Salaries, allowances and bonuses	9,110	8,033
Other	20,325	18,675
Total selling, general and administrative expenses	29,435	26,708
Operating income (loss)	4,164	(7,438)
Non-operating income		
Foreign exchange gains	1,897	688
Gain on valuation of interest-rate swaps	-	473
Other	1,085	954
Total non-operating income	2,982	2,115
Non-operating expenses		
Interest expenses	-	224
Loss on valuation of interest swap	510	-
Other	1,128	272
Total non-operating expenses	1,638	496
Ordinary income (loss)	5,508	(5,819)
Extraordinary income		
Gain on sales of noncurrent assets	6	0
Gain on sales of investment securities	-	939
Total extraordinary income	6	939
Extraordinary loss		
Loss on retirement of noncurrent assets	25	5
Loss on valuation of investment securities	69	1,000
Other	24	7
Total extraordinary losses	118	1,012
Income (loss) before income taxes and minority interests	5,396	(5,892)
Income taxes	2,086	(2,055)
Minority interests in loss	(636)	(1,455)
Net income (loss)	3,946	(2,382)

Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2008	Three months ended June 30, 2009
Net cash provided by (used in) operating activities:		
Income (loss) before income taxes and minority interests	5,396	(5,892)
Depreciation and amortization	5,667	6,069
Loss (gain) on sales and retirement of property, plant and equipment	19	5
Loss (gain) on sales of investment securities	-	(939)
Loss (gain) on valuation of investment securities	69	1,000
Increase (decrease) in provision for retirement benefits	237	747
Increase (decrease) in provision for directors' retirement benefits	63	33
Interest and dividends income	(507)	(296)
Interest expenses	205	224
Foreign exchange losses (gains)	(1,069)	(189)
Decrease (increase) in notes and accounts receivable-trade	31,283	30,136
Decrease (increase) in inventories	(9,589)	(2,463)
Increase (decrease) in notes and accounts payable-trade	(19,975)	(29,675)
Other, net	(7,209)	(1,181)
Subtotal	4,590	(2,421)
Interest and dividends income received	881	561
Interest expenses paid	(136)	(259)
Income taxes paid	(6,831)	(917)
Net cash provided by (used in) operating activities	(1,496)	(3,036)
Net cash provided by (used in) investing activities:		
Payments into time deposits	(76)	(102)
Proceeds from withdrawal of time deposits	3,372	960
Purchase of property, plant and equipment	(2,249)	(1,929)
Proceeds from sales of property, plant and equipment	18	1
Purchase of intangible assets	(3,098)	(4,972)
Purchase of investment securities	(3)	(3,023)
Proceeds from sales and redemption of investment securities	2,730	7,013
Proceeds from transfer of business	5,991	-
Other, net	(15)	(575)
Net cash provided by (used in) investing activities	6,670	(2,627)
Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	-	5,061
Repayment of long-term loans payable	-	(10,000)
Proceeds from issuance of bonds	50,000	-
Repayments of finance lease obligations	(101)	(788)
Cash dividends paid	(9,107)	(6,380)
Other, net	43	21
Net cash provided by (used in) financing activities	40,835	(12,086)
Effect of exchange rate change on cash and cash equivalents	1,517	305
Net increase (decrease) in cash and cash equivalents	47,526	(17,444)
Cash and cash equivalents at beginning of period	87,957	104,248
Cash and cash equivalents at end of period	135,483	86,804

Notes on Premise of Going Concern

Not applicable.

Segment Information

Business Segments

Three months ended June 30, 2008

(Millions of yen)

	Electronics	Electronic components and others	Total	Elimination or unallocated amount	Consolidated
Net sales					
(1) Outside customers	96,595	19,437	116,032	-	116,032
(2) Inside group	104	6,916	7,020	(7,020)	-
Total	96,699	26,353	123,052	(7,020)	116,032
Operating income	4,664	985	5,649	(1,485)	4,164

Three months ended June 30, 2009

(Millions of yen)

	Electronics	Electronic components and others	Total	Elimination or unallocated amount	Consolidated
Net sales					
(1) Outside customers	70,739	10,787	81,526	-	81,526
(2) Inside group	96	4,051	4,147	(4,147)	-
Total	70,835	14,838	85,673	(4,147)	81,526
Operating loss	(5,365)	(818)	(6,183)	(1,255)	(7,438)

Notes on Significant Changes in Shareholders' Equity

Not applicable.