

First Half Results Briefing for Year Ending March 31, 2010



CASIO COMPUTER CO., LTD

November 6, 2009

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.

FY 2010 Earnings: 1st Half Results & Full Year Forecasts

(billions of yen)

Consolidated	FY '09		FY '10 (ending March 2010)			
	1H	Full year	1H	2H	Full year	
	Results	Results	Results	Forecasts	Forecasts	change
Net sales	272.4	518.0	197.3	279.7	477.0	-41.0
Operating income	18.2	4.0	(15.0)	10.0	(5.0)	-9.0
Ordinary income	17.7	(1.4)	(13.0)	7.5	(5.5)	-4.1
Net income	9.7	(23.1)	(10.9)	3.9	(7.0)	+16.1

Year-on-year Summary: Net Sales and Operating Income

Net sales

- **Cellphones sales down (accounts for 36% of fall in revenue)**
 - **Domestic: greater-than-expected market share loss**
 - **Overseas: a part of sales to Verizon delayed until 2nd half**
- **Digital cameras sales down (accounts for 27% of fall in revenue)**
 - **Domestic: took No.1 market share position thanks to new models**
 - **Overseas: slow penetration of new models**
- **Electronic components sales down (accounts for 17% of fall in revenue)**

Operating income

- **Cellphones profit decline due to decreased sales (accounts for 45% of fall in profit)**
- **Digital cameras profit decline due to decreased sales (accounts for 28% of fall in profit)**
- **Electronic components profit decline due to decreased sales (accounts for 7% of fall in profit)**

Strategies to Improve Earnings in 2nd Half

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➤ Cellphones (make up 30% of the total 2H sales)

- **Launch of wholly differentiated new models to secure more than 20% share in the au market**

⇒ **EXILIM mobile phone “CA003”, with 12.2 megapixel camera and Dynamic Photo function, to go on sale in mid November**

- **Two new models for Verizon**

➤ Digital cameras (make up 20% of the total 2H sales)

- **Nine New models with totally differentiated functions to be launched.**
- **Expand sales of high-value added “high-zoom” genre**
- **Expand overseas market (focus on China and Europe)**

Strategies to Improve Earnings in 2nd Half

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➤ Stable businesses (make up 45% of the total 2H sales)

- **Electronic dictionaries: launch of more than a dozen new models equipped with color displays**
- **Timepieces: launch of new women's watches, and bolster G-SHOCK brand to expand sales outside Japan**
- **System equipment: launch of new business terminal and new projector**

New Business

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- **Launch of new business based on Casio's own technologies**
 - **Operation began by establishing and reinforcing New Business Development Center**
 - **In progress toward announcement at 2010 Consumer Electronics Show**
 - **Expected to contribute to earnings in early next fiscal year (FY2011)**

Policies Going Forward

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- **New business's contribution to earnings**
- **Increase profitability of Stable Businesses (Electronic dictionaries, Calculators, Timepieces, etc)**
- **Improve earnings of digital cameras through better product lineup overseas**
- **Significant mitigation of risk factors**
 - => **Drastic improvement in operating profits of Cellphones and Electronic components**
 - **Cellphones: merger with NEC**
 - **Liquid Crystal Displays: cooperative venture with Toppan Printing in small and medium-size display business (TFT LCDs and OLED displays)**

Net Sales and Operating Income by Segment

<FYI>

(billions of yen)

Consolidated	FY 2009 (53 rd term)	FY2010 (54 th term)		
	Results	Forecasts	1H results	% Change
Consumer	178.0	179.5	76.1	+0.9%
Timepieces	80.4	78.5	37.4	-2.3%
MNS	163.2	129.0	43.4	-21.0%
System equipment	40.3	41.0	17.4	+1.6%
Electronic components	32.5	24.7	9.8	-23.9%
Others	23.7	24.3	13.3	+2.5%
TOTAL	518.0	477.0	197.3	-7.9%
Operating Income				
Electronics	15.6	5.2	(10.2)	-66.7%
Electronic components & others	(5.9)	(4.7)	(2.2)	-
Elimination	(5.7)	(5.5)	(2.5)	-
TOTAL	4.0	(5.0)	(15.0)	-

END