

Responsibilities to Our Shareholders and Other Investors

Optimum Profit Returns and Information Disclosure

We strive to improve business performance and stabilize our financial condition so as to increase returns to our shareholders.

Basic Policies regarding Profit Distribution to Our Shareholders

Casio positions maintenance and expansion of profit distributions to shareholders to be an important management task. Accordingly, the company strives to improve its business performance and strengthen its financial conditions. As for dividends, maintenance of stable dividend distribution is Casio's basic policy. However, the company will also press forward with improvement of profit distribution by comprehensively weighing the profit level, financial condition and dividend payout ratio so as to increase the company's contribution to its shareholders. Retained earnings will be appropriated to R&D and investment that are necessary for stable corporate growth. By so doing, Casio will endeavor to improve its business results and strengthen its management structure.

Operating Results and Dividends in Fiscal 2004

In fiscal 2004, Casio powerfully promoted and expanded its strategic businesses, including timepieces, digital cameras, electronic dictionaries, cellular phones and TFT LCDs. At the same time, the company dedicated its efforts to improving its management efficiency, including raising its profit margin and improving capital efficiency. As a result, both sales and profits were record high.

Dividends were increased by ¥2 per share from ¥15 last year to ¥17 by taking into consideration such factors as business results, posting a second consecutive dividend increase after last year.

Inclusion in SRI Funds and Index

SRI (Socially Responsible Investment) is an investment technique that is used to evaluate and select corporations on the basis of their performance in such CSR areas as compliance with law, employment and human right issues, social contribution and environmental conservation, in addition to more conventional investment criteria

based on financial analyses.

SRI has been growing rapidly in Europe and America in recent years. A number of investment trust companies in Japan also sell SRI-related products. Casio is included in the following funds and index.

Status of Inclusion in SRI Funds and Index (as of June 1, 2005)

Inclusion among stocks that comprise SRI Index

- Morningstar SRI Index (as of September 1, 2004)

Inclusion in SRI Funds

- STB Asset Management Co. Ltd. STB SRI Japan Open "Good Company"
- Sumitomo Mitsui Asset Management Co. Ltd. Eco-balance "Umi to Sora (Sea and Sky)"

Communication to Shareholders and Other Investors

We are actively engaged in IR activities through various media in accordance with the policy of disclosing corporate information appropriately at appropriate times as stated in the Casio Code of Conduct.

Financial Results Presentation Meeting

Simultaneously with the release of quarterly financial results, we hold a financial results presentation meeting. Either the company president or a director in charge of IR explains the financial results and future outlook to institutional investors and securities analysts as the main speaker at such meetings. In addition, we meet with domestic and overseas institutional investors and securities analysts individually, give factory tours and hold small meetings about specific business segments from time to time.



Financial Results Presentation Meeting

A Wide Array of IR Tools

IR tools used by Casio include financial results presentation meetings (quarterly), the annual report, and the business report (semiannually). All such information is also disclosed on Casio's Web site.



Annual Reports

URL <http://world.casio.com/ir/>



Web Site "To All Our Investors"

Measures for Individual Investors

Casio readily discloses corporate information to individual investors as well. The company strives to not only disclose extensive information on its Web site but also hold presentation meetings for salesmen from securities firms. In addition, the company is pressing forward to expand the contents provided at the general meetings of shareholders and the subsequent management presentations to shareholders.

On September 1, 2004, the company reduced the size of trading unit of its shares from 1,000 to 100 in an effort to expand its shareholder group and improve the liquidity of the shares.

Responding to Inquiries to the IR Department

The IR Department, which is at the center of Casio's IR activities, answers a variety of inquiries received from Japanese and foreign shareholders and investors in cooperation with the General Affairs Department.