

Consideration for the Environment in Product Development

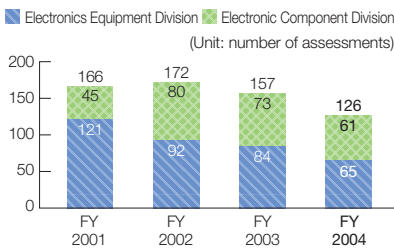
Casio strives to promote the development of Green Products and an increase in their percentage in total sales, based on clear design standards and detailed assessment criteria.

Efforts on Product Assessment

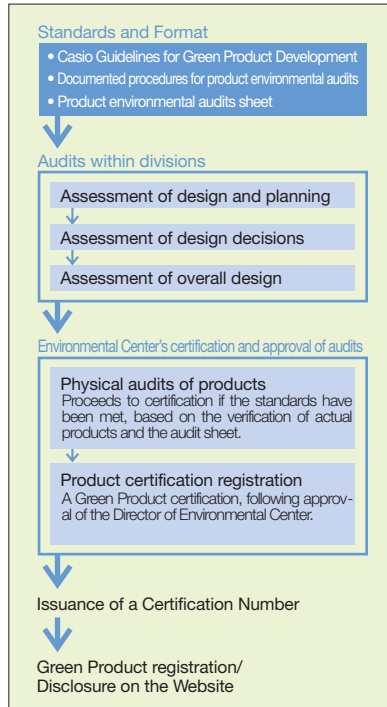
Since 1993, Casio has been conducting product assessment on new products, based on the Casio Voluntary Plan for the Environment.

In 2001, the "Casio Guidelines for Green Product Development" were created to clearly establish the design standards for Casio Green Products, which are eco-products. Product assessment is conducted at each of the planning, design review and design in accordance with the Guidelines and the "Documented procedures for product environmental audits." During fiscal 2004, 65 product assessments were conducted in the Electronics Equipment Division and 61 assessments in the Electronic Component Division.

Product Assessment Results



Flow of Product Assessment



System of Green Product Certification

At Casio, all new products are developed in

line with the Casio Guidelines for Green Products Development. The results of a product assessment that is performed based on the guidelines are summarized in the "Product Environmental Audit Sheet." An assessment consists of an "Environmental Design Assessment" and an "Environmental compliance Assessment" with respect to eco-products of the product design.

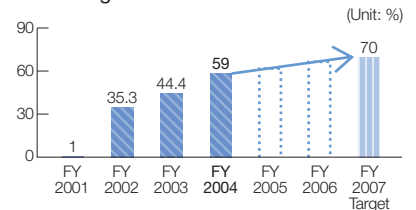
The "Environmental Design Assessment" evaluates the extent to which basic eco-products design features are adopted. The "Environmental compliance Assessment" evaluates the extent to which advanced eco-products design features are incorporated. Products that meet the standards in both of these assessments are certified as Casio Green Products and are issued certification numbers.

Fiscal 2004 Targets and Results

Casio initiated the "Casio Green Products (C.G.P.) Activity" in fiscal 2001 and has since worked toward the target of raising Green Product sales to 50% of total product sales by fiscal 2005.

In fiscal 2004, Green Product sales accounted for 59% of total sales, allowing Casio to achieve the goal one year ahead of schedule. With a new Green Product sale target set at 70% to be reached by fiscal 2007, Casio will plan to make assessment of individual items on the product environmental audit sheet, select technical tasks to be accomplished and make improvements on the focused areas so as to continue to raise the Green Product percentage.

Percentage of Green Product Sales



Green Product Certification Criteria

Consumer Products	
Environmental Design Assessment: Minimum required score is 90 out of total 100 points.	Environmental Product Assessment: Compliance with at least two amount the six items is required.
1. Labeling of materials used	1. Reuse of resources: products other than watches Allergic safety watches
2. Recycling-friendly Design	2. Reduced power usage and extended battery life
3. Standardization of functional parts types	3. A parts count reduction
4. Ease of disassembly	4. Effective use of resource saving measures (or recycled materials)
5. Battery recycling	5. Use of lead-free solder
6. Use of material identification codes	6. Elimination of harmful substances in parts*
7. Disclosure of environmental data	
8. Sorting and disassembly down to single materials	
9. Recycled resources	
10. Green Procurement	
11. Ozone layer protection and pollution control	
System Products	
Environmental Design Assessment: Minimum required score is 810 (90%) out of total 900 point.	Environmental Product Assessment: Office computers and printers must meet at least three of the items. Handy terminals and electronic registers must meet at least two of the items.
1. Energy conservation	1. Top runner in resource savings
2. Reducing resource use	2. Top runner in energy conservation
3. Reuse	3. Top runner in environmental impact
4. Recycling	4. No use of lead*
5. Easy processing	5. No use of hazardous substances* (in plastics) or free of halogen* (in PCB)
6. Environmental soundness	6. No use of chrome*
7. Packaging materials	7. No use of PVC*
8. Information disclosure	8. Response to product recycling systems (for product bodies)
9. User manuals, catalogues, etc.	9. Energy Star (an energy saving label) certification, an industry ecolabel certification, registration in an outside environmental database, or third-party ecolabel certification.

* Must be at or below the threshold value set by Casio's Green Procurement Standards.

Green Product Certification Results

(Unit: number of models)

	FY 2001	FY 2002	FY 2003	FY 2004
Consumer Product	2	61	55	50
System Equipment Product	—	5	12	4