

Responsibilities to Customers

Customer Satisfaction and Quality Assurance

Casio is striving to improve the quality of its products and services, in order to increase the satisfaction and confidence of customers.

Activities of Casio Customer Support Center

Communication is an important way for Casio to create long-lasting relationships of trust with customers. Casio's Customer Support Center is the contact point for customers to submit their opinions, requests and questions. The Customer Support Center operates under the CS Control Group with the goal of improving customer satisfaction (CS) across the development, manufacturing, sales, and service departments. The center strives to continually deliver high-quality service to customers by conducting regular skill checks on all staff and ensuring they observe the following four points when receiving calls from customers:



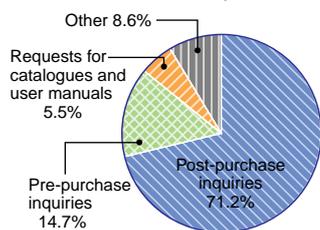
Customer Support Center

- Prompt, accurate and polite response
- Acceptance of customer's remarks with sincerity and accurate understanding of the facts
- Efforts to tie the viewpoint of customers to a solution
- Reflecting customer opinions in product and service improvements.

In this way, Casio is striving to ensure the satisfaction and happiness of customers. The operating hours of the Customer Support Center are also being steadily expanded to include weekends and holidays, in an effort to offer more customer convenience. Finally, the Customer Support Center also operates an Overseas Customer Support Center. The Overseas Customer Support Center cooperates with the customer support centers at Casio's overseas sales companies. The Overseas Customer Support Center is carrying out various activities to foster good relationships of trust with overseas users of Casio products as well.

In the future, Casio will continue to increase the level of its high-quality customer service, and use worldwide customer opinions to further improve its business.

Types of inquiries (Fiscal 2006)



Customer Satisfaction Surveys

Casio periodically conducts customer satisfaction surveys to identify customer opinions on a product-by-product basis. The surveys relate not just to product function, performance, and design, but also to ease of use and customer service. The results are then reflected in the creation of future products.

● Example of an Electronic Dictionary that Reflects Customer Opinions

Customer Comments

- ★ Make the text display easier to read!
- ★ Provide audio pronunciation samples in other languages!
- ★ Make the dictionary expandable!



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Customer Service Improvement

The Service Department, which is responsible for product repairs, strives to satisfy customers by providing service based on the following three points: prompt response, dependable technology, and reasonable fees that satisfy customers.

● Prompt response

Casio is taking steps to improve its operations by focusing on part procurement, repair work, and repair technology, so as to shorten the repair time and return repaired products to customers as quickly as possible. In Japan, Casio aims to be the electronics manufacturer with the shortest repair time. In overseas markets too, Casio is striving to shorten repair times to match Japan levels. Moreover, Casio has repair locations for system equipment across Japan, enabling prompt dispatch of repair technicians to client sites.

● Dependable technology

Casio is working to improve its repair technology in order to maintain customer confidence and realize the kind of repair quality that customers expect. In addition, Casio is striving to improve product quality by sending feedback from the repair sites to the Product Development HQ and the Manufacturing Department.

● Reasonable fees that satisfy customers

Casio works hard to reduce any unnecessary burden on customers by controlling repair costs. This is done through improvement of repair methods and setting repair fees that customers can accept. Repair method improvements are also important because they help to reduce discarding of parts during repair work. In fiscal 2006, Casio's new and improved system of digital camera repair operations—the first of its kind in Japan—was also implemented at overseas repair locations.

Casio's Commitment to Quality

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 important comments on 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 the quality information and prevention of problems before they occur, and prevents recurrence of quality problems.

To offer goods and services that please and impress customers, it is necessary to create products that can win their solid approval in all areas. In addition to function, design and price, these areas include reliability, durability, serviceability, environmental soundness, and compliance with relevant laws and regulations.

For Casio, all of these factors that affect the evaluation of its products are elements of quality. Group-wide efforts have been made to improve quality, based on Casio's Quality Concept and Quality Management Policies. In 1996, Casio

started its "Delight Our Customers" program to ensure that all employees of the group would become thoroughly familiar with Casio's philosophy concerning products and services. The program is continuing to raise employee awareness.



Quality Assurance System

Casio has constructed a quality assurance system and constantly strives to improve quality across the group.

The Casio Promotion Committee for Groupwide Quality Enhancement is Casio's highest quality assurance authority. It meets semiannually by convening the heads from the Electronics business segment (consumer, timepiece and system equipment categories), the Electronic Components segment and the communications business, as well as quality managers of manufacturing and service affiliate companies. Decisions are made at these meetings on company policies and important issues relating to quality. The resolutions are then communicated to individual departments and reflected in specific quality assurance activities within the departments.

In 2004, the CS Control Group was created within the Sales Department of the Electronics Equipment business to improve consumer services. Since then, the CS Control Group has been conducting activities to ensure quality in product development in cooperation with the Engineering Department (within the Product Development HQ) in an effort to further improve quality and services.

Moreover, persons responsible for quality assurance have been appointed in the development departments to look after product specifications, software, mounting, outer packaging, circuits, devices, and manufacturing, respectively, in each businesses. In addition, the quality managers who oversee the entire operations ensure product quality in each business.

Teachers Meeting (Product Feedback from Educators)

On December 19 and 20, 2005, Casio invited 11 mathematics teachers from Australia, the United States, South Africa, Iran, Turkey, South Korea, Malaysia, Singapore, and the Philippines to the Teachers Meeting at the Hamura Research and Development Center. The event was held in order to get product feedback from overseas educators.

The main purpose of the meeting was to hear opinions on the functions of Casio's current scientific calculator models. The teachers submitted product evaluation reports to Casio in advance outlining over 100 points for improvement. During the discussion, Casio responded to these suggestions, and there was a lively exchange of opinions among the teachers.

This gathering provided important material for future product development. It was also a fantastic, special opportunity for the members of Casio's development team to meet and talk with teachers in person.



Teachers Meeting

Quality Management System

Casio has constructed a quality assurance system based on the ISO 9001 quality management system. Casio strives to improve quality by applying the PDCA (plan, do, check, act) approach to all stages in the process chain, from product planning, to design, evaluation, purchasing, production, sales and service.

Partial List of ISO 9001 Certified Sites

| Classification | Certified and Registered Site | Initial Version Registration Date |
|--------------------------------------|--|-----------------------------------|
| Product Development/HQ | Casio Computer Co., Ltd. System Product Unit | June 25, 1999 |
| Domestic Production Sites / Services | Kofu Casio (including Ichinomiya Factory) | August 1, 1994 |
| | Casio Electronic Manufacturing | August 5, 1994 |
| | Yamagata Casio | December 16, 1994 |
| | Kochi Casio | January 12, 1996 |
| | Casio Micronics | March 29, 1996 |
| | Casio Techno | May 21, 2004 |
| Overseas Production Sites | Casio Korea | September 15, 1994 |
| | Casio Computer (Hong Kong) (including Jin Shui Keng Casio Electronics Factory) | July 29, 1998 |
| | Casio (Thailand) | October 24, 2000 |
| | Guandu Bohsei Electronics Limited (Wengyuan County) | March 22, 2002 |

New product shipment Start Approval System

Before starting shipment of a new product, the quality assurance persons responsible for planning, design, evaluation and production, with their quality control supervisor, reconfirm each process involved. This is followed by objective verifications by the senior general manager of the Product Development Headquarters, and the general manager of the Engineering Department. Only then is a decision made to ship the new product.

Post-sale Problem Response System

In the event that an accident, complaint or quality problem occurs after a product sale, an information channel is established according to the type and level of the problem. This mechanism ensures that the necessary information is communicated promptly to the departments and supervisors who can quickly determine the appropriate actions. In addition, Casio has Web-based mechanisms that enable responsible persons and other involved individuals to check on the status of problem resolution online, to discuss and decide countermeasures including notification, and to clearly report and announce measures to prevent recurrence of the problem. Casio is able to respond promptly and accurately to any problem that may occur.

Quality Information Assistance System

Casio uses reliable data to quantitatively analyze market and production conditions, and furnishes the results to its quality professionals. The company also has a quality assurance

Website on its Intranet, ensuring that all employees are thoroughly informed of laws and regulations, as well as Casio's internal standards and rules. Casio provides solid support for quality assurance.

Efforts to Ensure Product Safety

Casio makes every effort to ensure product safety so that customers can always use Casio products with peace of mind.

Casio's product specifications include explicit safety specifications. In addition, a Product Safety Responsibility System has been implemented to evaluate product safety in every process and for every product to ensure that all Casio products are safe.

Casio has established permanent sub-committees to ensure safety under the Casio Promotion Committee for Group-Wide Quality Enhancement. These sub-committees guarantee compliance with electrical safety standards and electromagnetic compatibility (EMC) standards. Dedicated staff on these sub-committees provide technical guidance and operational support for the entire group.

Extraordinary committee meetings are also held as necessary to establish rules and exchange information. These and other activities ensure that Casio complies with safety laws and regulations.

Status of Quality Assurance Activities

Accomplishments relating to priority tasks in Casio's quality assurance activities in fiscal 2006 were as follows.

(1) Promotion of Efforts to Improve Customer Satisfaction Levels

In order to improve new products, customer comments were gathered and analyzed, and points for improvement were provided as feedback to the development and design departments. The resulting cases of product improvements were then publicized within the company, allowing Casio products to compete in the effort to improve customer satisfaction.

(2) Implementation of Post-sale Accident Prevention Measures

Along with the reexamination and revision of internal design policies and standards based on the lessons learned from product-related accidents reported in newspapers and on television, Casio made unified efforts to raise awareness towards the elimination of such accidents. Casio also actively disclosed information on design and manufacturing defects that posed the risk of causing an accident. The company thus reconfirmed that customer safety is its highest priority.

(3) Activities to Reduce Monetary Losses Due to Quality Issues

Casio addressed quality issues for each item in order to reduce quality-related losses, which serve as an indicator for quality improvement. The company made effective efforts to prevent problems from occurring or reoccurring, and losses were reduced compared to the previous year.