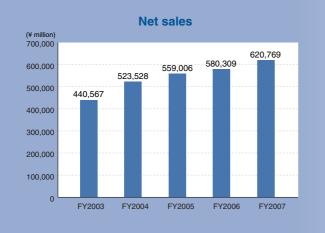
# **Building a Foundation for Continual Growth**

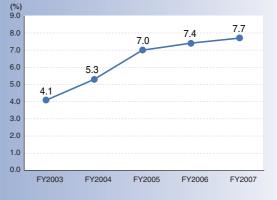
Delivering great products to consumers, reliable returns to shareholders, and successful business partnership to suppliers—Casio's approach to securing continual growth is to benefit all of its stakeholders.

# Management Focused on Profitability

Casio is committed to providing the maximum return on society's investment, which is represented by the capital entrusted to it by shareholders. Toward this end, the company's key management indicator is profitability. Casio is taking bold steps group-wide to improve its operating income margin.

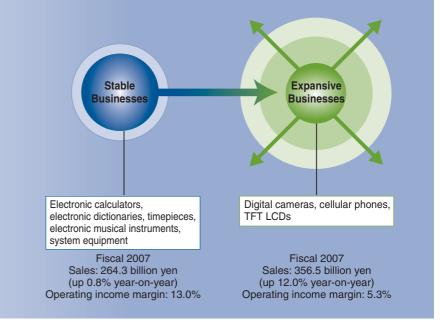


Operating income margin



# Achieving both Stability and Growth

Casio has positioned businesses that have maintained high market share and yield steady profits as Stable Businesses. It has positioned businesses that are expected to experience significant global market growth in the future, while also seeing intensifying competition as a large number of companies enter the market, as Expansive Businesses. Casio is following a successful strategy of securing stable profits from the Stable Businesses while increasing both sales and operating income in Expansive Businesses. This approach to management has been securing both growth and profitability, and is expected to continue to deliver superior sustainable results.



CSR Management

# Performance of Main Products

# **Digital Cameras**

### Units sold in fiscal 2007: 6 million

As the creator of the digital camera market, Casio continues to leverage its technologies to deliver compact, slim designs, and leads the market for stylish, compact products.



#### Number of digital cameras sold



## **Radio-controlled Timepieces**

#### Worldwide market share: No. 1 (Casio survey)

In 2006, Casio sold 33 million timepieces worldwide. In recent years, Casio has focused on radio-controlled timepieces, which never need to be adjusted by hand. These products now account for 45% of the value of Casio's timepiece sales. Casio also possesses the largest share of the global market for radio-controlled timepieces.



#### Number of radio-controlled watches sold



## **G-SHOCK**

### Number of units sold to date: over 60 million

The water and shock-resistant G-SHOCK watch is the epitome of Casio's tough device construction. Since the G-SHOCK's debut in 1983, Casio has sold over 60 million units in over 100 countries, a feat unheard of for a single wristwatch brand. In 2007, special Dawn Black models were introduced to commemorate G-SHOCK's 25th anniversary.

### **Cellular Phones**

#### **Customer satisfaction** ranking: No. 1 for two consecutive years

Casio received the top ranking for overall satisfaction for two straight years in the cellular phone customer satisfaction survey conducted by J.D. Power Asia Pacific, Inc.

Source: J.D. Power Asia Pacific 2005 & 2006 Japan Mobile Telephone Handset Satisfaction StudySM. The 2006 study was based on evaluations from 3,187 customers who purchased a mobile phone in the preceding year. http://www.jdpower.co.jp/jdp\_e/

### **Electronic Dictionaries**

### Market share in Japan: No. 1\*

Casio offers a full line of electronic dictionaries that meet a range of needs for students and working professionals. Advanced features, such as handwriting recognition and recorded pronunciations by native speakers, explain why Casio dominates this market in Japan with an over 50% share.

\*Market share based on quantities sold by manufacturers from January to December 2006, according to a GfK JAPAN survey which compiled sales results from major electronics stores throughout Japan.

# **Electronic Calculators**

### Total number of units sold to date: 1 billion

In December 2006, Casio shipped its one billionth calculator, counting from the first electronic calculator, called the 001, introduced in 1965. Casio calculators helped to generate massive popular demand, which contributed significantly to the

development of the semiconductor industry. With its development of scientific and educational calculators, Casio is now known the world over for its outstanding products in this field.

### **Electronic Pianos**

#### Market share in Japan: No. 1\*

results from major electronics stores throughout Japan.

Casio has the largest share of the electronic piano market in Japan, and is known for electronic pianos that offer superior performance features such as natural keyboard touch and premium sound quality.

\*Market share based on quantities sold by manufacturers from January to December 2006, according to a GfK JAPAN survey that compiled sales





