

Environmental Accounting

Overview of fiscal 2012 performance

In FY2012, the Casio Group's environmental accounting was largely influenced by extraordinary factors such as the unprecedented natural disasters of the Great East Japan Earthquake and the flooding in Thailand. Other major factors included the transfer of the WLP-related business out of the Casio Group, and a substantial drop in the CO₂ unit price that is the basis for economic effect calculation. As a result, investment and expenses in environmental conservation and economic benefits of environmental conservation were both down compared to the previous fiscal year.

Casio's investments in environmental conservation, including energy-saving equipment, were valued at ¥51 million in FY2012. The expenses of Casio's environmental conservation activities, including recycling of products, parts and supplies such as toner cartridges, were ¥1,486 million. Meanwhile, there was a real economic benefit of ¥1,085 million from recycling activities and an estimated economic benefit of ¥311 million from the reduction of distribution costs through environmental protection initiatives and environmental impact reduction achieved by paperless products. The fiscal year's total economic benefits were ¥1,396 million.

Casio will continue to properly identify and report on its environmental management activities in economic terms, and will promote initiatives for even more efficient and effective environmental conservation.

Environmental conservation costs (April 2011 - March 2012)

Category by business activity		Environmental investment (¥ million)	Environmental expenses (¥ million)*1
		Main initiatives	
Business area costs (costs arising in the main areas of business activity (manufacturing, processing, sales, distribution etc.))		51	231
(1) Pollution prevention cost	Preventing noise and water pollution	17	19
(2) Global environmental conservation cost	Maintenance of energy-saving systems	34	135
(3) Resource circulation cost	Processing, reducing in volume, and recycling of general and industrial waste	-	77
Upstream/downstream cost*2	Collection and recycling of products, parts, supplies	-	914
Administration cost	Secretariat operation costs, environmental information disclosure	-	281
R&D cost	R&D for reduction of environmental impact	-	41
Social activity cost	Participation in, donations to, and support for environmental conservation organizations	-	19
Total		51	1,486

*1 Depreciation costs are included in the expenses. *2 Costs arising before and after the processes of the main business activities.

Economic benefits of environmental conservation (April 2011 - March 2012)

Economic benefit		Amount (¥ million)
Type of benefit		
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)		1,085
Profits	Business revenue from recycling of used products, etc.	1,033
Cost reduction	Cost reduction through energy saving activities	40
	Reduction of waste processing costs arising from resource saving or recycling	12
Estimated benefit *	Reduction of distribution costs through environmental conservation initiatives Reduction of power consumption during product use by customers, etc.	311
Total		1,396

*The estimated benefit is calculated as the CO₂ reduction amount from business activities plus the reduction from power savings during product use by customers. It also includes the environmental benefit of paperless products such as electronic dictionaries and data projectors, as well as distribution cost reductions achieved by a modal shift from air to sea transport, and the resource saving benefit from water recycling.

Regarding the reduction of power consumption during product use by customers, the monetary value of the environmental impact reduction effect is calculated as follows:

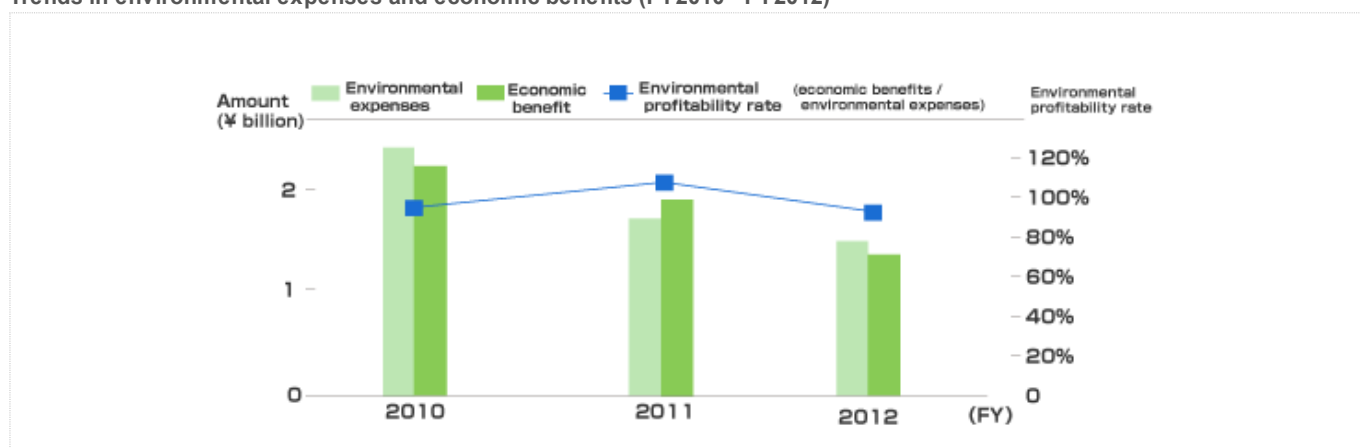
Reduction of power consumption during product use by customers = (Annual power consumption of the previous model – Annual power consumption of the new model) x Number units sold in the year x Electrical power unit price

The following statistical sources are used to perform these calculations:

CO₂ unit prices are the average values for FY2011 (¥895.0/ton) based on the Nikkei-JBIC Carbon Quotation Index.

Electrical power unit prices are based on the FY2009 results published by the Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry (¥16.02/kWh).

Trends in environmental expenses and economic benefits (FY2010 - FY2012)



*Past year values for economic benefits have been revised based on the current fiscal year standards.

Environmental conservation effect

Types of environmental conservation effects	Environmental performance indicator	Unit	FY2011	FY2012	Environmental conservation effect *1
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m ³	1,209	847	362
Environmental conservation effect relating to environment impact and waste generated by business activities	CO ₂ emissions	Tons-CO ₂	53,720	44,309	9,411
	Specially designated chemical (PRTR) emissions	Tons	4.7	1.5	3.2
	Waste emissions	Tons	3,677	2,944	733
	BOD	Tons	23	11	12
	NO _x emissions	Tons	3.2	1.4	1.8
	SO _x emissions	Tons	1.2	2.2	-1.0 *2

*1 Figures that have risen are shown as positive, while those that have fallen are shown as negative.

The environmental impact has decreased significantly due to the transfer of the WLP-related business.

*2 As part of efforts to cover production lost to flooding at Casio Thailand, boiler operation time increased at Yamagata Casio for heating and for humidification to reduce static electricity.

Scope of data compilation for environmental accounting: Casio Computer Co., Ltd., and consolidated subsidiaries in and outside Japan.

Reference guideline: Environmental Accounting Guidelines 2005, Ministry of the Environment, Japan