

# Environmental Accounting

## Overview of fiscal 2013 performance

In fiscal 2013, the Casio group's environmental accounting saw a decrease in investments and expenses in environmental conservation and a decrease in the economic benefits of environmental conservation compared to the previous fiscal year.

Casio's investments in environmental conservation, including updating of systems, were valued at ¥33 million in FY2013.

The expenses of Casio's environmental conservation activities, including recycling of products, parts and suppliers such as toner cartridges, were ¥1,283 million.

Meanwhile, there was a real economic benefit of ¥812 million, including business income from recycling activities and an estimated economic benefit of ¥400 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 ¥1,212 million.

## Environmental conservation costs (April 2012 - March 2013)

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.))		29	221
(1) Pollution prevention cost	Preventing water pollution	6	29
(2) Global environmental conservation cost	Maintenance of energy-saving systems	23	134
(3) Resource circulation cost	Processing, reducing in volume, and recycling of general and industrial waste	-	58
Upstream/downstream cost*2	Collection and recycling of products, parts, supplies	-	744
Administration cost	Secretariat operation costs, environmental information disclosure	-	258
R&D cost	R&D for reduction of environmental impact	4	47
Social activity cost	Participation in, donations to, and support for environmental conservation organizations	-	13
Total		31	1,283

\*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 2012 - March 2013)

Economic benefit		Amount (¥ million)
Type of benefit		
Actual benefit (benefit that contributes to profits as a result of the promotion of environmental conservation measures)		812
Profits	Business revenue from recycling of used products, etc.	786
Cost reduction	Cost reduction through energy saving activities	13
	Reduction of waste processing costs arising from resource saving or recycling	13
Estimated benefit *	Reduction of distribution costs through environmental conservation initiatives	400
	Reduction of power consumption during product use by customers, etc.	
Total		1,212

\*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, data projectors and non-mercury light source projectors, as well as distribution cost reductions achieved by a modal shift from air to sea transport.

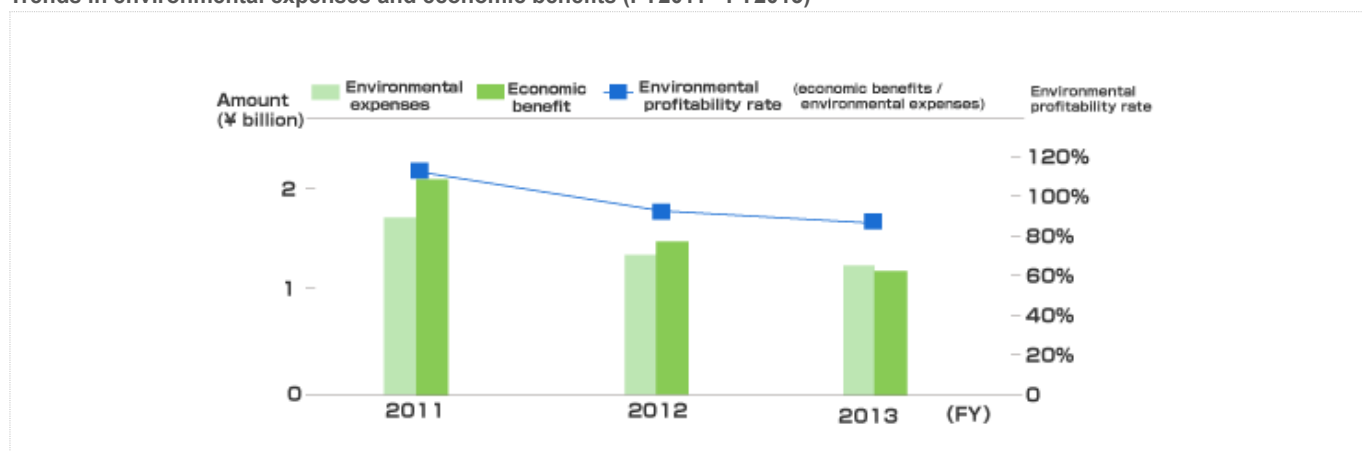
Regarding the reduction of power consumption during product use by customers, the monetary value of the environmental impact reduction effect is calculated as follows: Reduction of power consumption during product use by customers = (Annual power consumption of the previous model – Annual power consumption of the new model) x Number of units sold in the year x Electric power unit price.

The following statistical sources are used to perform these calculations:

CO2 unit prices are the average full-year value for FY2013 based on the EU emissions trading price (¥697.7/t).

The electric power unit price is the results from the aggregation for FY2011 by the Ministry of Economy, Trade and Industry's Expert Committee on the Electricity Power Systems Reform (¥16.8/kWh).

### Trends in environmental expenses and economic benefits (FY2011 - FY2013)



\*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	FY2012	FY2013	Environmental conservation effect *1
Environmental conservation effect relating to resources used in business activities	Water resources	Thousand m <sup>3</sup>	847	685	162
Environmental conservation effect relating to environment impact and waste generated by business activities	CO2 emissions	Tons-CO2	44,309	46,978	-2,669 *2
	Specially designated chemical (PRTR) emissions	Tons	1.5	0.0	1.5
	Waste emissions	Tons	2,944	2,750	194
	BOD	Tons	19	10	9
	NOx emissions	Tons	1.4	0.6	0.8
	SOx emissions	Tons	2.2	0.4	1.8

\*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 This is because the CO2 emissions coefficient for electric power in Japan worsened by 36% due to the suspension of operations at nuclear power plants although energy consumption, which includes power and fuel, decreased.

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