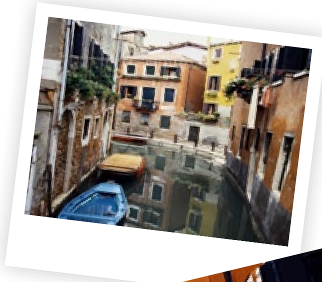
CASIO



Creating limitless enjoyment with

Digital Art

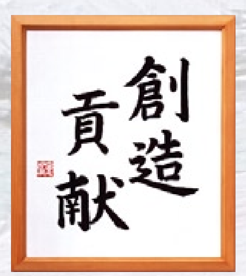
Annual Report 2011

For the year ended March 31, 2011

Casio’s corporate creed is **“Creativity and Contribution,”** expressing the Company’s commitment to contributing to society through innovative, useful products it is uniquely positioned to deliver.

Products with innovative functions assist people in their daily lives and keep society moving forward. They also bring great delight to many people and help to revitalize culture. When even a single new product is widely adopted, whole new markets develop, and this in turn fosters growth in related industries.

This is the story of Casio’s wide-ranging contributions to society, based on its innovative product and service portfolio.



Corporate creed –
“Creativity and Contribution”

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Forward-looking Statements

Earnings estimates and expectations that are not historical fact included in this report are forward-looking statements.
Such forward-looking statements reflect the judgment of management based on information available as of the time of writing, and various factors could cause actual results to differ materially.

Kazuo Kashio, *President & CEO*

To Our Stakeholders

During fiscal 2011, although the Japanese and global economies showed signs of moderate recovery through March of this year underpinned by the high growth rates in newly emerging nations and government economic stimulus measures, the Great East Japan Earthquake that took place on March 11 drastically changed the situation for Japan.

In this environment, consolidated net sales for fiscal 2011 declined 20.2% year-on-year to ¥341.6 billion, which is partly attributable to the exclusion of a subsidiary from consolidation as the result of business integration. By segment, sales stood at ¥252.0 billion in the Consumer segment, down 25.2% year-on-year. The System Equipment segment recorded sales up 6.8% year-on-year to ¥46.5 billion and the Others segment registered ¥43.0 billion in sales, down 9.0% year-on-year.

In the timepiece business, brands such as G-SHOCK and EDIFICE maintained their strong performance, with increased overseas sales primarily in North America and Asia partly attributable to global promotional campaigns. The product lineup of women's SHEEN brand metal analog watches was also enhanced, tapping into the market for women's watches. Due to the continued strong sales of the EX-word series, the electronic dictionary business maintained the overwhelming top share in the Japanese market, and sales also expanded in China. The digital camera business developed and released high value-added products, which included the EX-ZR100 featuring Casio's HDR-ART function, which makes it easy to create beautiful and artistic photographs, and the EX-TR100, which achieves freedom in shooting photos thanks to its rotating LCD screen and frame.

In income for fiscal 2011, the Consumer segment posted ¥16.5 billion in operating income, which was a significant improvement. Within the segment, timepieces and electronic dictionaries remained highly profitable. The System Equipment segment recorded a ¥1.4 billion operating loss due to the one-off start up costs for the projector business. The Others segment registered ¥0.5 billion in operating income. As a result, Casio posted ¥12.0 billion in consolidated operating income, allowing for adjustment. Casio recorded ¥11.7 billion in ordinary income and ¥5.6 billion in net income for the fiscal year.

Casio will make its best effort to resolve the effects of the Great East Japan Earthquake in the first half of fiscal 2012, and the Company aims to increase earnings for the full fiscal year. The main strategies are as below.

(a) Casio will engage in the full-scale development of the new online service business, Casio Imaging Square. The Company will strengthen and enhance the functions of the service, which lets people use Casio's original digital technology to easily transform an ordinary photograph into an inspiring work of art. Casio aims for the launch of this fee-based service to make a definite contribution to earnings.

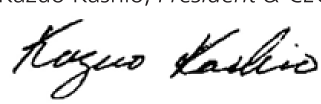
(b) In the timepiece business, Casio will seek to further expand sales and maintain strong profitability by continuing with its proactive global promotion campaigns for brands such as G-SHOCK and EDIFICE and strengthening the lineup of watches for women such as SHEEN and Baby-G.

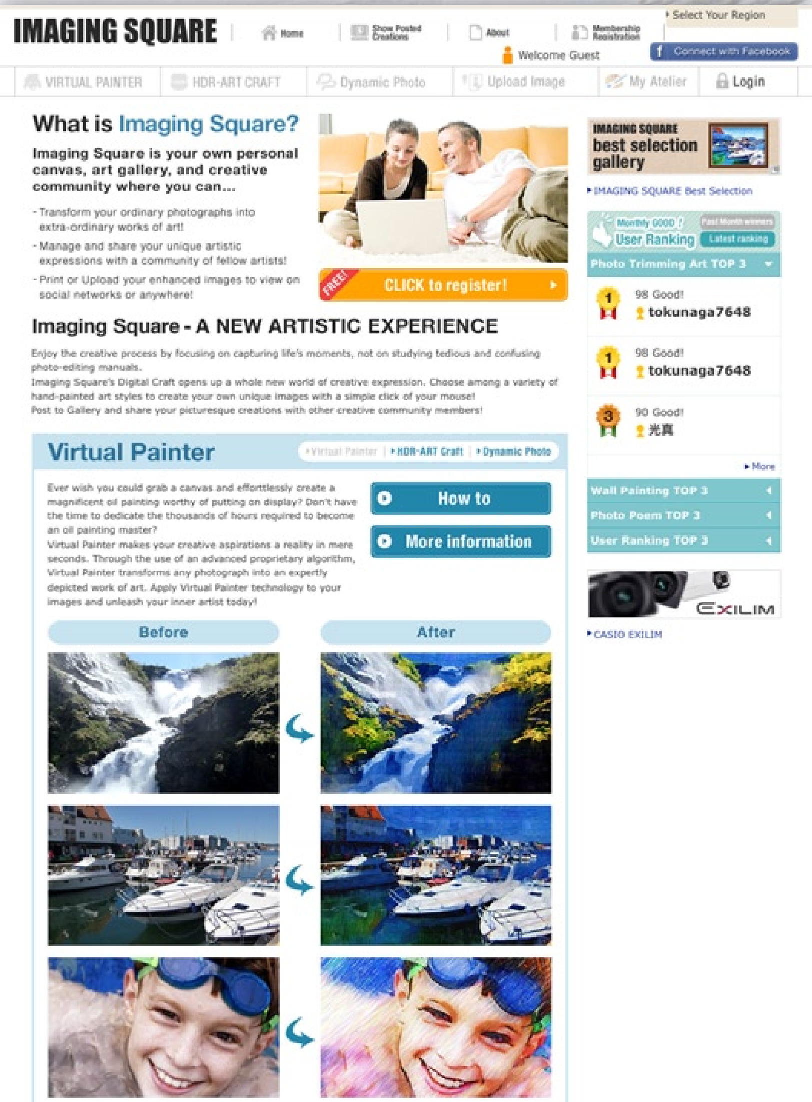
(c) In the electronic dictionary business, Casio will seek to maintain its No. 1 share and high profitability in the Japanese market. Moreover, in efforts to expand, Casio will pursue increase sales in overseas markets such as China.

(d) Casio will aim to increase sales in newly emerging nations by strengthening its direct sales channels.

Although the earthquake disaster had a negative impact on parts procurement, we will overcome this problem and continue to grow by improving profitability in core business segments and expanding new businesses. Therefore, we look forward to the ongoing support of our stakeholders.

August 2011
Kazuo Kashio, *President & CEO*





Imaging Square Q&A

In January 2011, Casio launched Imaging Square, a new online service where users can enjoy digital photo art. The person responsible for developing this service gives an overview.

Creating limitless enjoyment with Digital Art

IMAGING SQUARE

http://art.casio.com

Q.01 Could you tell us how you came to start Imaging Square service?

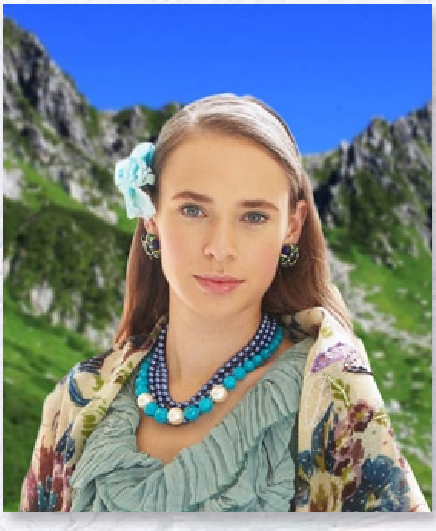
A During the development of our digital cameras, rather than being satisfied with photographing things just as they are, we looked for ways of realizing an artistic experience that were possible only with digital imaging technology. This is what led us to Dynamic Photo function, which lets users take a subject from one photograph and insert it into a completely different one, and HDR-ART Craft function, where users can employ high dynamic range imaging to increase or reduce the contrast in a photograph, giving colors more brilliant than in nature.

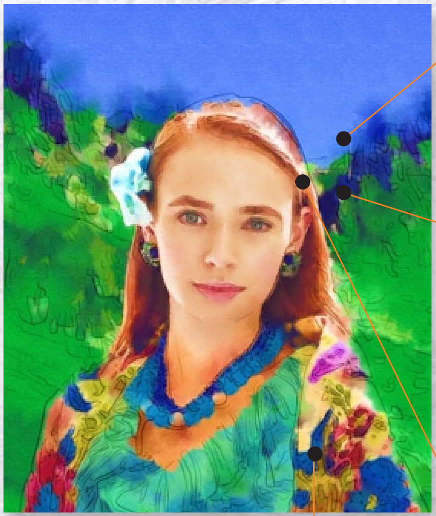
To further refine the technology that enabled us to develop our digital cameras, and popularize this new way of enjoying photographic images by transforming them into original works of art, we decided to make the technology available over the Internet.

In January 2011, we launched Imaging Square — an online service where anyone can easily make their own original artistic creations from snapshots — for Japanese users. In February, we launched an English version of the website for North American users.

Transform Photos into Painted Pictures (Virtual Painter)

Transform your snapshots into pictures that look just like they were painted — even into oil paintings, watercolors and colored pencil sketches. Produce images with a finish so natural they truly appear as if drawn or painted by hand. Even professional artists admire them.





Virtual Painter–01

Superimpose paint data over a bumpy surface (like that of drawing paper) along with color data to reproduce real-life textures that appear as if drawn on actual paper.

Virtual Painter–02

When people draw pictures or paint, they do so in a set pattern — first they draw an outline and then fill it in with color. The prominent parts are drawn first and long vertical shapes are painted with vertical brushstrokes. With Virtual Painter you can reproduce hand-drawn brushstrokes to add a human touch.

Virtual Painter–04

The way of blending and running colors together when they overlap differs depending on the coloring materials. Virtual Painter takes this difference and represents it digitally by calculating how colors blend in overlapping areas, which allows the user (artist) to reproduce images that look like oil paintings or watercolors.

Virtual Painter–03

Following preset brush movements, add changes that are characteristic of brush painting, e.g., the beginning of the brushstroke is full and rich, while the end of the stroke is broken and faded.

Q.02 Could you give the reader some details about Imaging Square?

A Imaging Square is an online service that lets users convert photos they have taken with a digital camera or cell phone into original artworks. You can create artistic images simply by manipulating the photos you have uploaded to the Imaging Square website. Up to now, a photograph has been something that you just take out and look at now and again. With Imaging Square, it becomes the material from which you can create a new and enjoyable mode of expression.

The Virtual Painter function enables users to transform their photographs into images that look as if they have been painted by an artist, with a choice of a wide range of artistic modes, including oil paintings, watercolor, colored pencil, and so on. The natural look of the images, which really seem to have been done by hand, has drawn praise from professional artists.

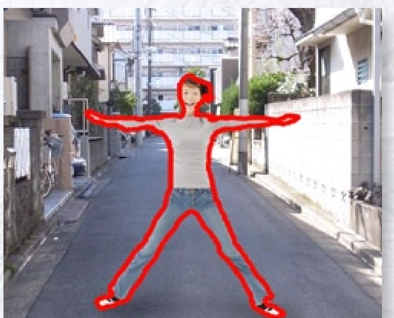
Then there is the HDR-ART Craft, which allows the user to create new photographic images that are more aesthetically pleasing. It reads the color data of a photograph and partially alters the saturation and contrast to realize an artistic image with brighter colors than the original. Image processing and transformation technology of this function enables you to create dramatic artworks that approach the kind of image retained by the memory or perceived by the eye.

Another major function offered in Imaging Square is Dynamic Photo, which lets you design a completely new visual creation by cutting out the image of a person, pet and so on from one photograph and inserting it into another one. By combining subjects such as people or animals with a background of your own choosing, you can create a picture that would be impossible in reality. For backgrounds, you can choose a painting-like image or a HDR-ART of your own. Also, with DP Animation function, which is a further development of the same technology, you can take a single still image of a person and breathe life into it, making it seem to dance to the music.

Produce Artistic Photographs with HDR-ART Craft

A single image can be recomposed by taking color data and selectively changing contrast and level of color saturation, thereby transforming a photo into a brightly-colored, surreal work of art. Using Casio's proprietary image processing and transformation technology, dramatic works of art can be produced that approach the image reproduction capabilities of the human mind.

Create New Pictures with DP Animation

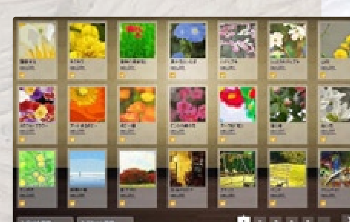


Cut out the images of people or pets from your snapshots and combine them against different backdrops to produce outrageous and improbable backgrounds. For backgrounds you can use picture images created by yourself or those created by HDR-ART. You can also animate the snapshot of a person by having them dance to music.

A Place Where Artists Can Communicate

What's fun about Imaging Square is that not only can you create works of art, you can interact with other artists. Enjoy producing new works of art by creating your own artist's studio (My Atelier) just like a professional painter, get feedback and evaluations from other artists and trade your creations. You can also connect up on social networking sites, where we plan to make it even easier for you to talk with other artists about their own works of art and comment on the works of fellow artists.

Imaging Square makes art part of your life and everyday fun. Casio will continue to develop and upgrade the functions, features and services of Imaging Square to create the optimal user experience.



Q.03 Please tell the readers about the features of Imaging Square that are unique to such an online service.

A What is most fun about Imaging Square is that not only can users create artworks, they can also share their creations with other users. Just like a real artist, you can create your own studio — your private My Atelier page — where you can display your artworks for viewing by other users. They can then make appraisals of your works and even buy them from you. This kind of interaction brings a whole new dimension of enjoyment to the creation of new works of art. You can link your My Atelier to social networking services, which makes it easier for you to send messages about your own creations and make comments about other users' artworks.

We plan to continue enhancing the functions and service features of Imaging Square to make our users' artistic creativity a part of their lives, so that every day brings new enjoyment.

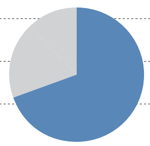
CASIO at a Glance

Segment Overview

Consumer

Sales (Year ended March 31, 2011)

69.7%



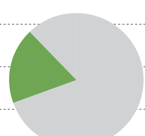
Principal Products

- Watches
- Clocks
- Electronic Dictionaries
- Electronic Calculators
- Label Printers
- Electronic Musical Instruments
- Digital Cameras etc.

System Equipment

Sales (Year ended March 31, 2011)

18.2%



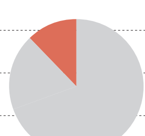
Principal Products

- Handy Terminals
- Electronic Cash Registers
- Office Computers
- Page Printers
- Data Projectors etc.

Others

Sales (Year ended March 31, 2011)

12.1%



Principal Products

- WLP Processing Consignments
- LCDs
- Molds etc.

Timepieces

G-SHOCK

EDIFICE

We have been aggressively implementing following strategies to further expand our sales of timepieces. As part of our multi-brand strategy we are conducting campaigns worldwide to promote our G-SHOCK brand of watches, which are enormously popular among younger consumers, as well as our popular EDIFICE metal watch brand. We are also taking active measures to expand our sales of women's watches. Following the success of our Baby-G casual wristwatch for teenagers and young women, we launched the SHEEN metal watch for more mature ladies. In this way, we have been working to enhance our lineup of watches to cover a wide range of designs, from casual to elegant models.

We are also leveraging our unique technological expertise to differentiate our products from those of our competitors. In our new Smart Access system for analog watches, the hour, minute, and second hands are driven independently, thus avoiding mutual interference when switching modes and enabling quick operation. Additionally, the electronic crown switch lets the user easily switch between the various functions.

As our bid for the next-generation timepiece, we have launched a "smart watch" employing the cutting-edge Bluetooth® Low Energy Wireless technology for short-range control. This watch can communicate with a smartphone that uses the same standards, enabling synchronization with the time transmissions received by the phone. This means that the time display is automatically corrected when the user travels to countries or areas in different time zones. Through our development of new applications, such as the ability to communicate between two wristwatches via a smartphone, we have made possible completely new ways of using wristwatches.

Electronic Dictionaries

EX-word XD-B9800

E-B88

Our EX-word electronic dictionaries have held the No.1 spot in the Japanese market by unit sales for seven straight years, and we aim to keep the top market share through continuous product evolution. Our electronic dictionaries are popular among a wide range of customers thanks to our extensive lineup of specialized dictionaries with software contents tailored to the needs of differing user categories. These include models for business people seeking to upgrade their skill sets, models for junior high or high school students that help them with their regular studies or with cramming for exams, and models incorporating foreign-language dictionaries.

In January 2011 we revamped the principal models in our EX-word electronic dictionary lineup. We launched 15 new models offering improved expressiveness and easier operability thanks to the use of color LCDs in the sub-panels — an industry first. The use of color displays in the sub-panels as well means that explanations of the photos and illustrations shown in the main panel can be simultaneously shown in the sub-panel for easier and quicker comprehension.

These models also feature our new Electronic Picture Book image retrieval function, which allows the user to retrieve images from the built-in contents. For instance, users who want to find out the name of an animal, plant, or person can simply input a key word that serves as a clue, and the correct image is retrieved from the electronic files — as long as it matches the search conditions — and an explanation is displayed alongside the image. We are working to develop markets for these models overseas, too, particularly in China.

Corporate Governance

To ensure steady progress towards management goals and realize continuous improvement in enterprise value, we believe it is vital that business operations be conducted in an appropriate and efficient manner, based on swift decision-making by management, and that supervisory functions be strengthened to ensure sound and transparent management. The Casio Group undertakes a range of measures to ensure the best possible standards of corporate governance.

The Corporate Governance System

Casio has adopted a corporate officer system to clearly demarcate the supervisory and executive functions of management. Meetings of the Board of Corporate Officers are also attended by directors and statutory auditors. At the meetings, matters of importance relating to the conduct of business are discussed to ensure that decisions are made from a companywide perspective, to facilitate their smooth implementation.

The Board of Directors aims to make important management decisions rationally and promptly. Directors and statutory auditors attend these meetings to deliberate upon and decide such issues.

Statutory auditors, including external auditors, follow policies set out by the Board of Statutory Auditors. In addition to attending meetings of the Board of Directors and the Board of Corporate Officers, as well as other important meetings and committee sessions, the statutory auditors discharge their responsibility for rigorous monitoring of the process of management of the Company by receiving and perusing reports from the directors and other management staff, as well as the minutes of meetings at which decisions on important matters were taken, and related reference material.

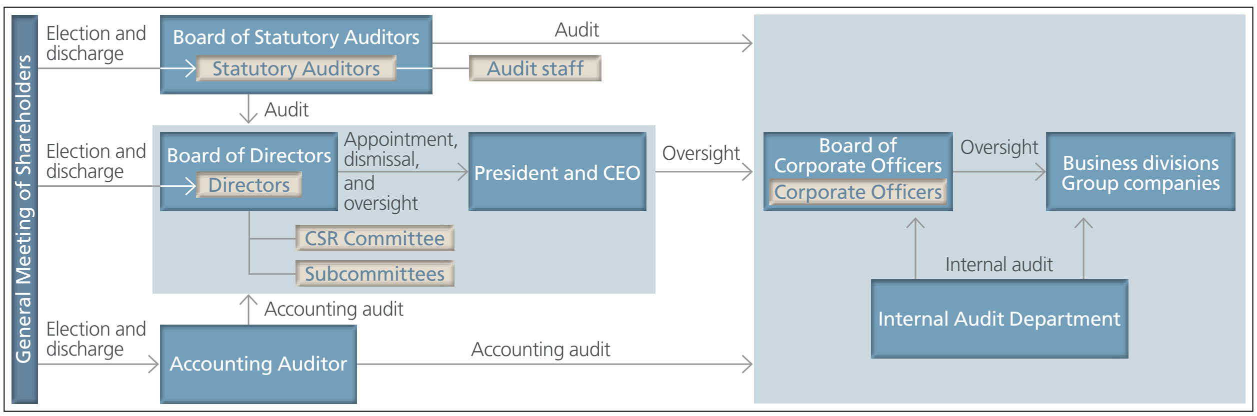
The external auditors are independent executives whose appointments are reported to the Tokyo Stock Exchange, in line with its regulations. Statutory auditors are assigned specialist assistants who support their audit activities.

External audits by independent auditing corporations are conducted in accordance with auditing standards generally accepted in Japan as being fair and appropriate. The Company accepts advice on improving operations from these auditors.

The Internal Audit Department monitors the performance of duties by the various organizational units of the Company to check that this performance conforms to laws and regulations as well as internal standards such as the organization control standard. In accordance with the results of this monitoring, staff members of the Internal Audit Department evaluate the performance of each unit and issue directives for improvement where required.

In addition, basic policies and major issues in CSR activities across the Group are deliberated by our CSR Committee, chaired by the officer in charge of CSR at Casio Computer Co., Ltd. and comprising the officers in charge of staff function departments, statutory auditors and managers of staff function departments.

Corporate governance system framework



Improving the Internal Control System

Based on our corporate creed of "Creativity and Contribution," Casio has established a basic policy for internal controls to ensure reliable and accurate financial reporting. It has also set up an Internal Control Committee to implement controls, comprising members of the Company's Accounting Department, Information System Department, CSR Operations Section and Internal Audit Department.

In fiscal 2009, the Company created a self-monitoring structure to govern the operational processes of the main departments and Group companies, to allow for the early detection of any risk that might have an impact on financial reporting.

Fiscal 2010 was the second year after entry into effect of the internal control reporting system under the Financial Instruments and Exchange Law. For this reason, we have introduced our Operation Responsibility System, to strengthen monitoring mechanisms compared with fiscal 2009.

Based on a policy set by the Internal Control Committee, persons responsible for control systems appointed by each Group company and department ensure appropriate conduct of operations over time in major operations, and carry out periodic checks. If they discover any flaw or inefficiency, they propose and implement remedial measures, keeping the Internal Control Committee informed through reports as needed.

From fiscal 2011, in anticipation of the systematic adoption of International Financial Reporting Standards in Japan five years from now, we are taking Groupwide measures to strengthen our financial position and further raise internal control standards.

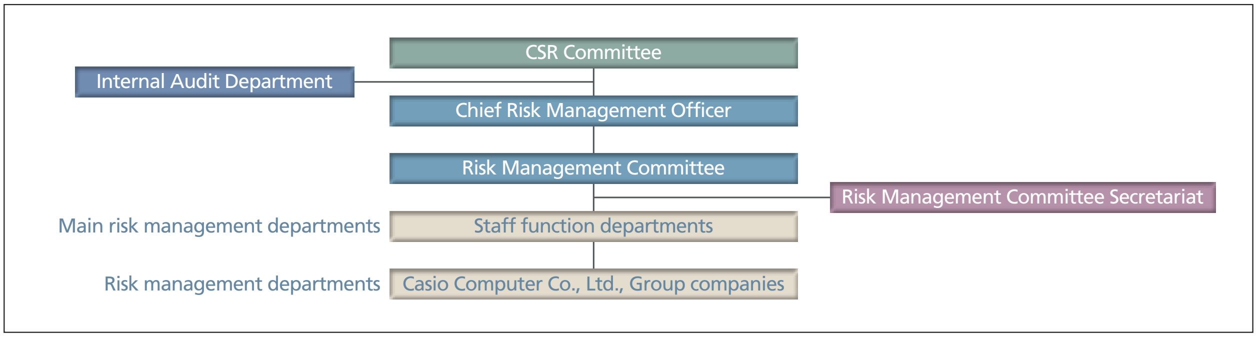
Risk Management

In line with our Basic Risk Management Policy, we have created a system to systematically and efficiently manage risk across the whole Company. A Chief Risk Management Officer appointed by the CSR Committee to serve as chairman of the Risk Management Committee selects, reviews and decides on risk management issues that need to be addressed.

Issues identified by the Risk Management Committee are handled by the main risk management departments, which take action as needed at the level of the department or Group company involved, ensuring measures are fully understood Groupwide and providing guidance. The Risk Management Committee Secretariat oversees risk management at all stages of the management process, utilizing the PDCA management cycle, and holds meetings and manages progress in risk management activities.

The Internal Audit Department's audits into management systems are conducted independently from the risk management activities of the Company.

Risk management system

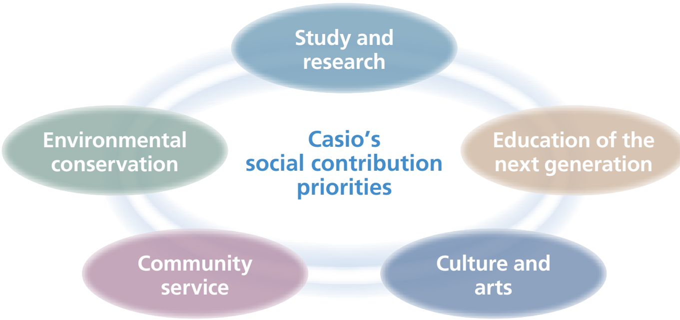


Corporate Social Responsibility (CSR) Activities

Striving to be a model corporate citizen, Casio makes the most of its unique know-how and management resources to fulfill its various social responsibilities.

Philosophy of Social Contribution

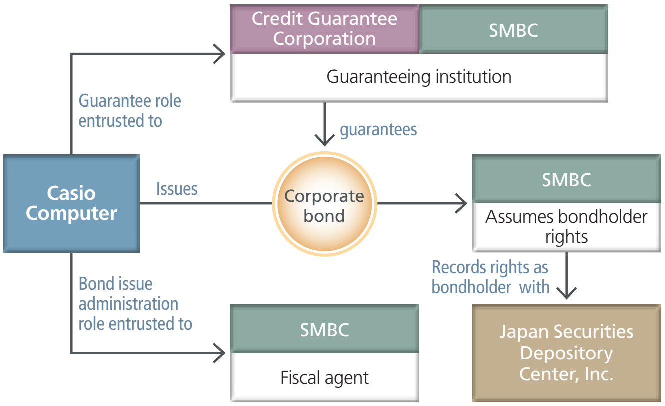
Aiming to help create a healthy, generous society, we are earnestly engaged in a variety of social contribution initiatives. We take good corporate citizenship seriously, so our process for determining the most useful things to do is guided by communication with various stakeholders. The five priority themes of our social contribution initiatives are outlined in the figure on the right. Leveraging our unique know-how and management resources as well as the wide range of knowledge and experience possessed by our employees, we fulfill our social responsibilities in our own unique way.



Casio Ranked AAA in SMBC Environmental Assessment Private Placement Bond Program

Sumitomo Mitsui Banking Corporation (SMBC) launched the SMBC Environmental Assessment Loan in October 2008 and its Private Placement Bond in June 2009. So far, it has made available this loan and bond product to some 30 companies, in the total value of ¥100 billion.

Privately-placed bonds: How the program works



In the program, the Japan Research Institute, Limited environmentally evaluates an applicant company using its own assessment standards, based on a survey response from the company being rated as well as a direct interview with its person in charge of environmental matters. SMBC then sets preferential interest rates in accordance with the results of the assessment.

Casio applied to issue a private placement bond in fiscal 2010 through SMBC. We received a top AAA rating from SMBC because of the excellent quality of our initiatives in terms of comprehensive management policies. But we need to work on environmental communication, as well as make good shortcomings in areas such as CO_2 emission reduction at overseas bases, disposal of waste, and biodiversity. We are determined to improve in these areas and raise our environmental management standards.

* In contrast to publicly-offered bonds, which are offered for sale via a securities company for the general public, privately-placed bonds are corporate bonds sold to a small number of specifically chosen investors.

Participation in Ecocap Movement

From fiscal 2008, Casio Techno Co., Ltd. and Casio Information Systems Co., Ltd. have been participating in Ecocap Movement activities to provide polio vaccines to children in developing countries through the collection and donation of plastic bottle caps.

These activities are being carried out by Ecocap Movement, a non-profit organization (NPO). The collection of 800 bottle caps can be redeemed for ¥20, enough to fund one polio vaccination for a single child. Casio is promoting participation in this movement through the installation of collection boxes at key locations throughout the Company. With employees working together as a team, we will continue to make steady progress.

Cleanup Volunteer Activities

The Casio Group carries out periodic cleanup campaigns conducted by employee volunteers around the business offices and plants at all of its companies in Japan. Casio will continue to carry out these periodic cleanup campaigns that contribute to local communities.

Casio Electronic Technology (Zhongshan) Co., Ltd.

Casio Computer Hamura R&D Center

Kofu Casio Co., Ltd.

Support for "Dolphin & Whale Eco-Research Network"

In 1994, we began selling "G-SHOCK" and "Baby-G" watch models in co-sponsorship with the 4th International Dolphin & Whale Conference held in Japan. By donating a portion of the proceeds from sales of these watches to I.C.E.R.C. (International Cetacean Education Research Centre) Japan*[1], we supported dolphin and whale-related education and research activities in various parts of the world.

"International Dolphin & Whale Eco-Research Network" model

In order to support both I.C.E.R.C. Japan, which it had already been supporting with dolphin and whale themed watches, and Earthwatch Institute*[2], an organization that promotes environmental conservation and research, in 2009, under the theme of "Love the Sea and the Earth," we added four models of G-SHOCK and Baby-G decorated with images of the ocean and ocean-related plants and organisms to our product lineup and assisted these organizations by donating a portion of the watch sales proceeds to them.

*1. I.C.E.R.C. (International Cetacean Education Research Centre) Japan
Established in 1991 to care for nature, dolphins and whales, I.C.E.R.C. is a nonprofit organization engaged in activities aimed at communicating the splendor of nature, dolphins and whales through the three steps of "knowledge," "communion" and "care."

*2. Earthwatch Institute
Founded in 1971 in Boston, U.S.A., the Earthwatch Institute provides financial and manpower support for low-profile field work related to environmental conservation research on climate change, wildlife, ecosystems and other such areas that require time, financial support and manpower. It is the world's oldest and most trusted NGO in the area of dispatching volunteers to do field work.

Supporting Disaster Victims

When enormous devastation caused by natural disaster strikes, Casio provides relief to victims and immediate reconstruction assistance to the disaster-stricken area.

Support for the Earthquake victims in China

In April 2010, Casio donated the following to the victims of the earthquake hit Qinghai Province in China:

Amount: ¥150 million from Casio Computer Co., Ltd., and 100,000 Chinese yuan from local Casio sales subsidiaries in China

Recipients: Japan Red Cross and local Red Cross organizations

Regarding the Great East Japan Earthquake

To help the victims of the earthquake and tsunami of March 11, 2011 and contribute to the reconstruction of the areas devastated by the disaster, the Casio Group has donated ¥50 million to relief efforts. The Group has also implemented a matching gifts program under which it donates an amount equal to or greater than the amount donated by its employees. The total amount donated by Group employees came to approximately ¥10.57 million, against which the Group put up more than twice this amount, at ¥22 million. These funds were divided among a number of relief organizations.

We are also making contributions on an ongoing basis to help children orphaned by the earthquake and tsunami. We have made a one-time donation of ¥5 million, and intend to make further donations of ¥2 million each year for the next ten years, for a total of ¥25 million.

In addition to the above, we are donating table clocks and wall clocks for use in the temporary housing being constructed for the victims of the disaster, and are donating digital cameras with GPS functions to the various emergency disaster headquarters, and electronic calculators and other devices to educational institutions.

Our donations have been made to the following organizations:

From Casio Group : Japan Platform, a specified nonprofit organization; Ashinaga

From employees of Casio Group : The Japanese Red Cross Society; JAM (Japanese Association of Metal, Machinery, and Manufacturing workers)

Management's Discussion and Analysis

Net Sales

Consolidated net sales for the business year ended March 31, 2011 came to ¥341,678 million, a decrease of 20.2% from the previous year.

	Millions of yen	
	2011	2010
Consumer	¥252,083	¥337,035
System Equipment	46,511	43,555
Others	43,084	47,335
Total	¥341,678	¥427,925

Results by Segment

In the Consumer segment, sales decreased 25.2% year-on-year to ¥252,083 million. This segment accounted for 73.8% of net sales.

In the timepiece category, sales grew thanks to the effects of a worldwide promotion campaign and strong overseas demand, especially in North America and Asia, for the G-SHOCK and EDIFICE brands. In addition, we expanded our SHEEN lineup of metal analog wristwatches for women and developed the women's timepiece market.

In the electronic dictionary category, sales of the EX-word series were robust and we continued to win an overwhelming share of the domestic market. Sales in China also increased.

In the digital camera category, Casio developed and launched high value-added products such as the EX-ZR100, which incorporates an HDR ART function that makes it easy to take beautiful, artistic photos, as well as the EX-TR100, which offers photo shooting freedom thanks to its rotating LCD screen and frame.

In the System Equipment segment, sales climbed 6.8% year-on-year to ¥46,511 million, while sales in the Others segment declined 9.0%, to ¥43,084 million.

Results by Region

Sales in Japan decreased 27.1% year-on-year to ¥162,351 million, accounting for 47.5% of total sales. Sales in North America decreased 35.1% to ¥42,109 million, accounting for 12.3% of all sales, while European sales declined 10.4%, to ¥54,155 million, accounting for 15.8% of the total sales. Sales in Asia and the other regions (excluding Japan) increased 4.2%, to ¥83,063 million, accounting for 24.3% of total sales. Overall, domestic and overseas sales were down 20.2% year-on-year to ¥341,678 million.

Results of Operations

Operating income for the Consumer segment came to ¥16,521 million, a substantial improvement. Timepieces and electronic dictionaries remained highly profitable. The System Equipment segment recorded an operating loss of ¥1,488 million due to a temporary cost factor resulting from one-off start-up costs for the projector business. The Others segment recorded operating income of ¥576 million. As a result, Casio posted total consolidated operating income of ¥12,042 million after adjustments.

The financial account balance for the reporting year fell to ¥488 million from ¥585 million in the previous year. Net other expenses increased to ¥2,197 million, from ¥834 million in the previous year. Net income came to ¥5,682 million.

Financial Condition

Total assets at the end of March 2011 declined 6.4% year-on-year to ¥402,456 million. Current assets declined by ¥6,300 million to ¥269,150 million, largely as a result of decreases in notes and accounts receivable–trade and accounts receivable–other. Noncurrent assets declined by ¥21,227 million to ¥133,306 million, largely as a result of decreases in investment securities and intangible assets, such as software.

Total liabilities dipped 4.6% year-on-year to ¥249,224 million. Current liabilities fell ¥35,229 million year-on-year to ¥117,886 million, due primarily to decreases in notes and accounts payable–trade and accounts payable–other. Noncurrent liabilities increased by ¥23,327 million year-on-year to ¥131,338 million, due chiefly to an increase in corporate bonds and long-term loans payable.

Net assets at the year-end fell 9.3% year-on-year to ¥153,232 million due to the acquisition of treasury stock and changes in minority interests.

Cash Flow Analysis

Cash and cash equivalents at the reporting year-end came to ¥117,119 million, an increase of ¥3,335 million, including a decrease of ¥6,257 million in cash and cash equivalents following exclusion of subsidiaries from consolidation.

Net cash provided by operating activities amounted to ¥13,713 million, an increase of ¥7,879 million from the previous year. This was chiefly attributable to an increase in income before income taxes and minority interests.

Net cash used in investing activities amounted to ¥25,529 million, an increase of ¥10,532 million compared with the previous year. This was mainly due to higher expenditures from increased outflows due to fixed-term deposits.

Net cash provided by financing activities amounted to ¥22,984 million, an increase of ¥4,829 million from the previous year. This was chiefly attributable to proceeds from the issuance of corporate bonds.

Capital Investment

Capital investment decreased 38.6% year-on-year to ¥6,183 million. By segment, capital investment came to ¥4,370 million in the Consumer segment, ¥918 million in the System Equipment segment, and ¥859 million in the Others segment.

Research & Development

R&D expenses came to ¥7,838 million. By segment, R&D expenses came to ¥4,153 million in the Consumer segment, ¥916 million in the System Equipment segment, and ¥141 million in the Others segment.

Business Risks

The management performance, financial position and share price of The Company are subject to the following risks. We have prepared a list of items that might have an impact on the forecasts included in this report as of the consolidated reporting period ended March 2011.

1) Japan's economy and the global economy

The Group's products are sold in Japan and in markets around the world, and demand is thus subject to the economic trends of each country. Given that the majority of our products are marketed to consumers, the Group is especially affected by trends in consumer spending.

2) Downward pressure on product prices

In the industries in which the Group is active, competition is intensifying as many companies make aggressive efforts to increase their shares in Japan and in overseas markets. There is the possibility that a rapid decline in product prices will have a negative impact on the Group's business performance.

3) New products

In the event that the Group is unable to speedily bring to market popular new products at a steady pace, or in the event that competitors release products similar to those being launched by the Group, especially in the case where the launch of competing products coincide, there is a possibility that the Group may see an erosion of the competitive advantage achieved as part of the first-mover advantage enjoyed by the pioneer of a new product.

4) Transactions with major customers

Any changes in strategy or product specifications made by major customers, and any cancellation of orders, or changes in their schedule, could have a negative impact on the earnings performance of the Group.

5) Outsourcing

With the aim of improving the Group's production efficiency and the operating income margin, we have outsourced a substantial portion of our manufacturing and assembly work to outside service suppliers. There is a risk, however, that quality control will become difficult to enforce. Moreover, problems may arise concerning violations of laws, regulations, and intellectual property rights of third parties, by the outside supplier. Such occurrences could have a negative impact on the Group's earnings performance, and might possibly hurt the product's reputation.

6) Technology development and changes in technologies

In those business areas in which the Group is active, the pace of technological development is quite rapid and the swift pace at which the market's needs evolve brings with it the risk that the Group products may be rendered obsolete more quickly than expected. This, in turn, would cause an unexpected sudden sharp decline in sales.

7) Risks associated with international developments and overseas operations

The majority of the Group's production and sales activities take place in locations outside Japan. Consequently, overseas political and economic developments and revisions of laws and legislation may have a significant impact on the Group's financial position. In particular, the amendment of laws or the enactment of new laws in foreign countries is difficult to predict, and such developments might have a negative impact on the Group's earnings performance.

8) Intellectual property

The Group principally uses proprietary technologies, and protects these proprietary technologies through a combination of patents, registered trade marks and other intellectual property. The following is a list of accompanying risks.

- Competitors might develop the same technologies as the Group's own proprietary technologies
- Denial of approval for a pending patent submitted by a Group member
- Ineffectiveness of measures aimed at preventing the misuse or violation of intellectual property rights held by a Group member
- Legislation relating to intellectual property might not provide adequate protection for the Group's intellectual property
- The Group's future products and technologies might constitute a violation of another company's intellectual property rights

9) Defective products and lawsuits

As a manufacturer and marketer of consumer products, we ensure strict quality control for our products. To date, we have never been subject to a damaging claim and have never had our reputation endangered. Even so, it is impossible to ensure that claims regarding product liability and product safety will not be brought against the Group members in the future.

10) Risks related to information management

The Group maintains personal information and confidential business information relating to the promotion and development of its business operations. There are in-house rules governing the use of this information, and each Group company raises awareness of the need for strict control of such information in its employee training program. However, there is always the possibility that information may be leaked, and such a leak of information might have a negative impact on the Group's business, financial position and earnings performance.

11) Alliances, mergers and strategic investments

The Group may engage in alliances and mergers, or undertake strategic investments, in Japan or overseas to expand its business operations or raise the efficiency of management. Changes in the business partner's management environment, business strategies, or operating environment might have a negative impact on the Group's business, financial position and earnings performance.

12) Risks arising from fluctuations in foreign exchange rates and interest rates

The Group maintains operations in numerous countries around the world. Consequently, the Group is substantially affected by exchange rate fluctuations. The Group's gross profit might be negatively affected as a result of movements in foreign currencies against the yen. Moreover, the Group is exposed to risk associated with interest rate changes. These risks could have an impact on overall operating costs, procurement costs, value of monetary assets and liabilities (particularly long-term liabilities).

13) Other risks

The following other factors might have an impact on the Group's business operations in the future.

- Cyclical trends in the IT sector
- Uncertainties as to whether the required equipment, raw materials, facilities, and electricity can be procured at an appropriate price
- A decline in the value of securities held by the Group
- Revisions to laws and regulations regarding the accounting standards for retirement benefits and rapid changes in pension fund operations
- Damage caused by fires, earthquakes and other natural disasters, as well as other accidents that disrupt operations
- Social unrest caused by wars, terrorist attacks, and epidemics

Consolidated Six-Year Summary

Years ended March 31 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen					
	2011	2010	2009	2008	2007	2006
For the year:						
Net sales	**¥341,678**	¥427,925	¥518,036	¥623,050	¥620,769	¥580,309
Cost of sales	**227,923**	330,417	387,701	453,255	436,548	407,940
Selling, general and administrative expenses	**93,875**	113,124	113,688	117,292	118,128	111,050
Research and development expenses	**7,838**	13,693	12,631	14,750	18,019	18,205
Operating income (loss)	**12,042**	(29,309)	4,016	37,753	48,074	43,114
Net income (loss)	**5,682**	(20,968)	(23,149)	12,188	25,147	23,745
Comprehensive income	**1,742**					
Capital investment	**6,183**	10,068	16,157	13,515	26,810	19,711
Depreciation	**7,674**	12,657	14,839	18,148	17,895	17,431
At year-end:						
Current assets	**269,150**	275,450	278,199	284,610	330,136	319,179
Current liabilities	**117,886**	153,115	169,601	187,168	227,562	183,967
Working capital	**151,264**	122,335	108,598	97,442	102,574	135,212
Net assets*	**153,232**	168,857	184,981	231,213	236,669	191,011
Total assets	**402,456**	429,983	444,653	451,835	525,483	501,960
Amounts per share of common stock (in yen):						
Net income (loss)	**20.90**	(75.58)	(83.62)	44.17	92.67	88.57
Diluted net income**	**19.10**	—	—	44.15	90.30	84.43
Cash dividends applicable to the year	**17.00**	15.00	23.00	33.00	23.00	20.00
Performance indicators:						
Return on equity (%)	**3.6**	(12.2)	(11.4)	5.5	12.2	13.4
Return on assets (%)	**1.4**	(4.8)	(5.2)	2.5	4.9	4.8
Equity ratio (%)	**38.0**	37.3	41.2	49.4	42.6	38.1
Interest coverage (times)	**15.9**	(32.9)	7.5	29.4	31.6	34.6
Assets turnover (times)	**0.8**	1.0	1.2	1.3	1.2	1.2
Inventory turnover (months)	**2.4**	1.8	1.6	1.5	1.8	1.7
Other:						
Number of employees	**11,522**	12,247	12,358	13,202	13,013	12,673

* Effective from the year ended March 31, 2007, the Company and its consolidated subsidiaries adopted the new accounting standard, "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Statement No. 5 issued by the Accounting Standards Board of Japan on December 9, 2005), and the implementation guidance for the accounting standard for presentation of net assets in the balance sheet (the Financial Accounting Standard Implementation Guidance No. 8 issued by the Accounting Standards Board of Japan on December 9, 2005).

** There currently exist share warrants of the Company issued and outstanding. However, description of diluted EPS (net income per share) for the years ended March 31, 2010 and 2009 is omitted as the Company posted a net loss for the reporting year.

Consolidated Balance Sheets

March 31, 2011 and 2010 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
Assets	2011	2010	2011
Current assets:			
Cash and deposits (Notes 4 and 6)	¥ 41,114	¥ 52,756	$ 495,349
Short-term investment securities (Notes 4, 6 and 7)	84,376	53,428	1,016,578
Notes and accounts receivable:			
Trade (Note 6)	61,744	75,565	743,904
Other	6,865	15,000	82,711
Allowance for doubtful accounts	(580)	(627)	(6,988)
Inventories (Note 5)	45,427	50,622	547,313
Deferred tax assets (Note 10)	8,788	11,979	105,879
Short-term loans receivable with resale agreement (Note 4)	17,338	11,668	208,892
Other	4,078	5,059	49,133
Total current assets	269,150	275,450	3,242,771
Property, plant and equipment:			
Land	38,319	38,702	461,675
Buildings and structures	63,198	63,624	761,422
Machinery and equipment	59,598	107,286	718,048
Construction in progress	485	678	5,843
Other	2,659	10,247	32,036
	164,259	220,537	1,979,024
Accumulated depreciation	(97,826)	(148,880)	(1,178,627)
Net property, plant and equipment	66,433	71,657	800,397
Investments and other assets:			
Software	4,951	11,940	59,651
Stock of affiliates	4,484	1,989	54,024
Investment securities (Notes 6 and 7)	40,794	51,166	491,494
Deferred tax assets (Note 10)	11,737	9,061	141,410
Other	4,958	8,781	59,735
Allowance for doubtful accounts	(51)	(61)	(615)
Total investments and other assets	66,873	82,876	805,699
	¥402,456	¥429,983	$4,848,867

See accompanying notes.

Liabilities and Net Assets	Millions of Yen 2011	2010	Thousands of U.S. Dollars (Note 1) 2011
Current liabilities:			
Short-term loans payable (Notes 6 and 9)	¥ 14,800	¥ 15,846	$ 178,313
Current portion of bonds and long-term loans payable (Note 9)	10,000	450	120,482
Notes and accounts payable:			
Trade (Note 6)	51,688	66,219	622,747
Other (Note 6)	20,180	38,422	243,132
Accrued expenses	11,894	12,786	143,301
Income taxes payable (Note 10)	2,900	3,481	34,940
Other	6,424	15,911	77,398
Total current liabilities	117,886	153,115	1,420,313
Noncurrent liabilities:			
Bonds and long-term loans payable (Notes 6 and 9)	113,000	88,000	1,361,446
Provision for retirement benefits (Note 11)	10,696	10,012	128,867
Provision for directors' retirement benefits	2,785	2,666	33,554
Deferred tax liabilities (Note 10)	1,878	1,881	22,626
Other	2,979	5,452	35,892
Total noncurrent liabilities	131,338	108,011	1,582,385
Commitments and contingent liabilities (Note 15)			
Net assets (Note 12):			
Shareholders' equity			
Capital stock:			
Authorized — 471,693,000 shares			
Issued — 279,020,914 shares	48,592	48,592	585,446
Capital surplus	65,703	65,704	791,602
Retained earnings	57,233	55,712	689,554
Treasury stock	(8,589)	(3,519)	(103,482)
Total shareholders' equity	162,939	166,489	1,963,120
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	1,733	3,131	20,880
Deferred gains or losses on hedges	(238)	(287)	(2,867)
Foreign currency translation adjustment	(11,303)	(9,149)	(136,181)
Total accumulated other comprehensive income	(9,808)	(6,305)	(118,168)
Minority interests	101	8,673	1,217
Total net assets	153,232	168,857	1,846,169
	¥402,456	¥429,983	$4,848,867

Consolidated Statements of Operations

Years ended March 31, 2011 and 2010 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Net sales (Note 14)	¥341,678	¥427,925	$4,116,602
Costs and expenses (Note 14):			
Cost of sales	227,923	330,417	2,746,060
Selling, general and administrative expenses	93,875	113,124	1,131,024
Research and development expenses	7,838	13,693	94,434
	329,636	457,234	3,971,518
Operating income (loss) (Note 14)	12,042	(29,309)	145,084
Other income (expenses):			
Interest and dividends income	1,328	1,433	16,000
Interest expenses	(840)	(848)	(10,120)
Equity in earnings (losses) of affiliates	(1,593)	99	(19,193)
Foreign exchange gains	693	1,499	8,349
Loss on sales and retirement of noncurrent assets	(363)	(723)	(4,373)
Gain (loss) on valuation and sales of investment securities	(202)	665	(2,434)
Impairment loss (Notes 14 and 17)	(646)	(289)	(7,783)
Business structure improvement expenses (Note 17)	—	(3,100)	—
Loss on adjustment for changes of accounting standard for asset retirement obligations (Note 3)	(152)	—	(1,831)
Special retirement expenses	—	(637)	—
Other, net	66	1,652	795
	(1,709)	(249)	(20,590)
Income (loss) before income taxes and minority interests	10,333	(29,558)	124,494
Income taxes (Note 10):			
Current	3,878	4,273	46,723
Deferred	1,207	1,853	14,542
	5,085	6,126	61,265
Income (loss) before minority interests	5,248	(35,684)	63,229
Minority interests in loss	(434)	(14,716)	(5,229)
Net income (loss)	¥ 5,682	¥ (20,968)	$ 68,458

	Yen		U.S. Dollars (Note 1)
Amounts per share of common stock:			
Net income (loss)	¥20.90	¥(75.58)	$0.25
Diluted net income	19.10	—	0.23
Cash dividends applicable to the year	17.00	15.00	0.20

See accompanying notes.

Consolidated Statement of Comprehensive Income

Year ended March 31, 2011 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen 2011	Thousands of U.S. Dollars (Note 1) 2011
Income before minority interests	¥5,248	$63,229
Other comprehensive income:		
Valuation difference on available-for-sale securities	(1,398)	(16,843)
Deferred gains or losses on hedges	49	590
Foreign currency translation adjustment	(2,210)	(26,627)
Share of other comprehensive income of associates accounted for using equity method	53	639
Total other comprehensive income	(3,506)	(42,241)
Comprehensive income	1,742	20,988
Comprehensive income attributable to:		
Shareholders of the Company	2,179	26,253
Minority interests	(437)	(5,265)

* Effective from the year ended March 31, 2011, the Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 25, "Accounting Standard for Presentation of Comprehensive Income" issued by the Accounting Standards Board of Japan on June 30, 2010. Accordingly, the Company has presented the consolidated statement of comprehensive income in the consolidated statement for the fiscal year ended March 31, 2011. The amounts of "Accumulated other comprehensive income" and "Total accumulated other comprehensive income" for the year ended March 31, 2010 are equal to those of "Valuation and translation adjustments" and "Total valuation and translation adjustments."

** The consolidated balance sheet and the consolidated statement of changes in net assets as of and for the year ended March 31, 2010 have been modified to conform with the new presentation rules of 2011.

Comprehensive income for the year ended March 31, 2010 was as follows:

	Millions of Yen
Comprehensive income attributable to:	
Shareholders of the Company	¥(16,620)
Minority interests	(14,711)
Total comprehensive income	¥(31,331)

Other comprehensive income for the year ended March 31, 2010 was as follows:

	Millions of Yen
Valuation difference on available-for-sale securities	¥4,435
Deferred gains or losses on hedges	214
Foreign currency translation adjustment	(296)
Share of other comprehensive income of associates accounted for using equity method	0
Total other comprehensive income	¥4,353

See accompanying notes.

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2011 and 2010 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen									
	Shares of common stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Minority interests	Total net assets
Balance at March 31, 2009	279,020,914	¥48,592	¥65,503	¥83,327	¥(3,612)	¥(1,304)	¥(501)	¥ (8,848)	¥1,824	¥184,981
Dividends from surplus (¥15.00 per share)	—	—	—	(6,380)	—	—	—	—	—	(6,380)
Net loss	—	—	—	(20,968)	—	—	—	—	—	(20,968)
Purchase of treasury stock	—	—	—	—	(4)	—	—	—	—	(4)
Disposal of treasury stock	—	—	(66)	—	97	—	—	—	—	31
Transfer from retained earnings to additional paid-in capital for merger of consolidated subsidiaries	—	—	267	(267)	—	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	4,435	214	(301)	6,849	11,197
Balance at March 31, 2010	279,020,914	¥48,592	¥65,704	¥55,712	¥(3,519)	¥ 3,131	¥(287)	¥ (9,149)	¥8,673	¥168,857
Dividends from surplus (¥17.00 per share)	—	—	—	(4,161)	—	—	—	—	—	(4,161)
Net income	—	—	—	5,682	—	—	—	—	—	5,682
Purchase of treasury stock	—	—	—	—	(5,071)	—	—	—	—	(5,071)
Disposal of treasury stock	—	—	(1)	—	1	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—	(1,398)	49	(2,154)	(8,572)	(12,075)
Balance at March 31, 2011	279,020,914	¥48,592	¥65,703	¥57,233	¥(8,589)	¥ 1,733	¥(238)	¥(11,303)	¥ 101	¥153,232

	Thousands of U.S. Dollars (Note 1)								
Balance at March 31, 2010	$585,446	$791,614	$671,229	$ (42,398)	$37,723	$(3,457)	$(110,229)	$104,494	$2,034,422
Dividends from surplus ($0.20 per share)	—	—	(50,133)	—	—	—	—	—	(50,133)
Net income	—	—	68,458	—	—	—	—	—	68,458
Purchase of treasury stock	—	—	—	(61,096)	—	—	—	—	(61,096)
Disposal of treasury stock	—	(12)	—	12	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	(16,843)	590	(25,952)	(103,277)	(145,482)
Balance at March 31, 2011	$585,446	$791,602	$689,554	$(103,482)	$20,880	$(2,867)	$(136,181)	$ 1,217	$1,846,169

See accompanying notes.

Consolidated Statements of Cash Flows

Years ended March 31, 2011 and 2010 Casio Computer Co., Ltd. and Subsidiaries

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Net cash provided by (used in) operating activities:			
Income (loss) before income taxes and minority interests	¥ 10,333	¥ (29,558)	$ 124,494
Depreciation and amortization	12,915	29,039	155,602
Impairment loss	646	289	7,783
Loss (gain) on sales and retirement of noncurrent assets	363	723	4,373
Loss (gain) on sales and valuation of investment securities	202	(665)	2,434
Increase (decrease) in provision for retirement benefits	747	2,680	9,000
Increase (decrease) in provision for directors' retirement benefits	119	26	1,434
Interest and dividends income	(1,328)	(1,433)	(16,000)
Interest expenses	840	848	10,120
Foreign exchange losses (gains)	(490)	(946)	(5,903)
Equity in (earnings) losses of affiliates	1,593	(99)	19,193
Business structure improvement expenses	—	3,100	—
Decrease (increase) in notes and accounts receivable–trade	(2,641)	3,070	(31,819)
Decrease (increase) in inventories	(9,428)	265	(113,590)
Increase (decrease) in notes and accounts payable–trade	10,029	(17,188)	120,831
Decrease/increase in consumption taxes receivable/payable	69	784	831
Other, net	(6,999)	14,101	(84,325)
Subtotal	16,970	5,036	204,458
Interest and dividends income received	1,430	1,687	17,229
Interest expenses paid	(855)	(884)	(10,301)
Income taxes paid	(3,832)	(5)	(46,169)
Net cash provided by (used in) operating activities	13,713	5,834	165,217
Net cash provided by (used in) investing activities:			
Payments into time deposits	(13,479)	(2,175)	(162,397)
Proceeds from withdrawal of time deposits	3,347	2,878	40,325
Purchase of property, plant and equipment	(5,294)	(6,044)	(63,783)
Proceeds from sales of property, plant and equipment	63	57	759
Purchase of intangible assets	(3,957)	(19,146)	(47,675)
Purchase of investment securities	(7,684)	(3,067)	(92,578)
Proceeds from sales and redemption of investment securities	3,959	12,722	47,699
Purchase of stocks of subsidiaries and affiliates	(1,866)	(7)	(22,482)
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(871)	—	(10,494)
Other, net	253	(215)	3,048
Net cash provided by (used in) investing activities	(25,529)	(14,997)	(307,578)
Net cash provided by (used in) financing activities:			
Net increase (decrease) in short-term loans payable	(1,047)	(598)	(12,615)
Proceeds from long-term loans payable	20,000	18,000	240,964
Repayment of long-term loans payable	(450)	(10,500)	(5,422)
Proceeds from issuance of bonds	14,924	—	179,807
Purchase of treasury stock	(5,007)	(4)	(60,325)
Proceeds from sales of treasury stock	0	31	0
Repayments of finance lease obligations	(1,275)	(3,932)	(15,361)
Cash dividends paid	(4,161)	(6,380)	(50,133)
Proceeds from stock issuance to minority shareholders	—	21,560	—
Other, net	—	(22)	—
Net cash provided by (used in) financing activities	22,984	18,155	276,915
Effect of exchange rate change on cash and cash equivalents	(1,576)	544	(18,988)
Net increase (decrease) in cash and cash equivalents	9,592	9,536	115,566
Cash and cash equivalents at beginning of year (Note 4)	113,784	104,248	1,370,892
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(6,257)	—	(75,386)
Cash and cash equivalents at end of year (Note 4)	¥117,119	¥113,784	$1,411,072

See accompanying notes.

Notes to Consolidated Financial Statements

Years ended March 31, 2011 and 2010 Casio Computer Co., Ltd. and Subsidiaries

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of CASIO COMPUTER CO., LTD. ("the Company") and its consolidated subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accompanying consolidated financial statements have been restructured and translated into English (with certain expanded disclosure) from the consolidated financial statements of the Company prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Law. Certain supplementary information included in the statutory Japanese language consolidated financial statements, but not required for fair presentation, is not presented in the accompanying consolidated financial statements.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2011, which was ¥83 to U.S.$1. The convenience translation should not be construed as representation that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

2. Significant Accounting Policies

Consolidation

The accompanying consolidated financial statements include the accounts of the Company and significant subsidiaries (together with the Company, the "Group") which the Company controls through majority voting right or existence of certain conditions. Stocks of affiliates of which the Company has the ability to exercise significant influence over operating and financial policies are accounted for using the equity method.

In the elimination of investments in subsidiaries, the portion of assets and liabilities of a subsidiary attributable to the subsidiary's shares acquired by the Company are recorded based on the fair value as of the respective dates when such shares were acquired. The amounts of assets and liabilities attributable to minority shareholders of the subsidiary are determined using the financial statements of the subsidiary.

Material intercompany balances, transactions and profits have been eliminated in consolidation.

The difference between the cost and underlying fair value of the net assets of investments in subsidiaries at acquisition is included in other assets and is amortized on a straight-line basis over five years.

Cash flow statements

In preparing the consolidated statements of cash flows, cash on hand, readily available deposits and short-term highly liquid investments with maturities of not exceeding three months at the time of purchase are considered to be cash and cash equivalents.

Foreign currency translation

All monetary assets and liabilities denominated in foreign currencies are translated at the current exchange rates at the balance sheet date, and the translation gains and losses are credited or charged to income.

Assets and liabilities of foreign subsidiaries are translated into yen at the current exchange rate at the balance sheet date while their revenue and expenses are translated at the average exchange rate for the period. Differences arising from such translation are included in minority interests and net assets as foreign currency translation adjustments.

Securities

Debt securities designated as held-to-maturity are carried at amortized cost. Other securities except for trading securities ("available-for-sale securities") for which fair value is readily determinable are stated at fair value as of the end of the period with unrealized gains and losses, net of applicable deferred tax assets or liabilities, not reflected in earnings but directly reported as a separate component of net assets. The cost of such securities sold is determined primarily by the moving-average method. Available-for-sale securities for which fair value is not readily determinable are stated primarily at moving-average cost except for debt securities, which are stated at amortized cost.

Derivatives and hedge accounting

The accounting standard for financial instruments requires companies to state derivative financial instruments at fair value and to recognize changes in the fair value as gains or losses unless derivative financial instruments are used for hedging purposes.

If derivative financial instruments are used as hedges and meet certain hedging criteria, the Group defers recognition of gains or losses resulting from changes in the fair value of derivative financial instruments until the related losses or gains on the hedged items are recognized.

Also, if interest rate swap contracts are used as hedges and meet certain hedging criteria, the net amount to be paid or received under the interest rate swap contract is added to or deducted from the interest on the assets or liabilities for which the swap contract was executed.

The Group uses forward foreign currency contracts and interest rate swaps as derivative financial instruments only for the purpose of mitigating future risks of fluctuations of foreign currency exchange rates with respect to foreign currency assets and liabilities and of interest rate increases with respect to cash management.

Forward foreign currency and interest rate swap contracts are subject to risks of foreign exchange rate changes and interest rate changes, respectively.

The derivative transactions are executed and managed by the Company's Finance Department in accordance with the established policies and within the specified limits on the amounts of derivative transactions allowed.

Allowance for doubtful accounts

The allowance for doubtful accounts is provided at an amount sufficient to cover probable losses on the collection of receivables. For the Group, the amount of the allowance is determined based on past write-off experience and an estimated amount of probable bad debt based on a review of the collectibility of individual receivables.

Inventories

The Company and its consolidated subsidiaries in Japan state inventories at the lower of cost (first-in, first-out) or net realizable values at year-end.

Consolidated overseas subsidiaries state inventories at the lower of market or cost.

Property, plant and equipment

Property, plant and equipment is stated at cost. Depreciation is principally determined by the declining-balance method at rates based on estimated useful lives except for the following buildings. The building of the head office of the Company and buildings, excluding building fixtures, acquired after March 31, 1998, are depreciated using the straight-line method. The depreciation period ranges from 2 years to 60 years for buildings and structures and 1 year to 20 years for machinery and equipment.

Software costs

Software is categorized by the following purposes and amortized using the following two methods.

Software for market sales: The production costs for the master product are capitalized and amortized over no more than 3 years on a projected revenue basis.

Software for internal use: The acquisition costs of software for internal use are amortized over 5 years using the straight-line method.

The amount of software costs capitalized is included in other assets in the consolidated balance sheets.

Lease assets

(Finance leases which do not transfer ownership of the leased property to the lessee)

Lease assets are divided into the two principal categories of property, plant and equipment and intangible assets. The former consists primarily of facilities (machinery and equipment, tools, furniture and fixtures) while the latter consists of software. The assets are depreciated on a straight-line basis on the assumption that the lease term is the useful life and the residual value is zero.

Provision for retirement benefits

Under the terms of the employees' severance and retirement plan, eligible employees are entitled under most circumstances, upon mandatory retirement or earlier voluntary severance, to severance payments based on compensation at the time of severance and years of service.

Employees' severance and retirement benefits of the Company and some of its consolidated subsidiaries in Japan are covered by two kinds of pension plans: defined benefit corporate pension fund plan and tax-qualified pension plan. And those of the Company and some of its consolidated subsidiaries in Japan are covered by lump-sum indemnities.

The Company and its consolidated subsidiaries in Japan received permission from the Minister of Health, Labor and Welfare, for release from the obligation of paying benefits for employees' prior services relating to the substitutional portion of the Welfare Pension Insurance Scheme. Concurrently, the employees' pension fund plan was changed to defined benefit corporate pension fund plan.

The Company and some of its consolidated subsidiaries in Japan provide defined contribution plans. In addition, the Company has established an employee retirement benefits trust.

The liabilities and expenses for provision for retirement benefits are determined based on the amounts actuarially calculated using certain assumptions.

The Company and its consolidated subsidiaries in Japan provided liabilities for provision for retirement benefits at March 31, 2001 based on the estimated amounts of projected benefit obligation and the fair value of the plan assets at that date.

The excess of the projected benefit obligation over the total of the fair value of pension assets as of April 1, 2000 and the liabilities for severance and retirement benefits recorded as of April 1, 2000 (the "net transition obligation") is recognized in expenses in equal amounts over 10 years commencing with the year ended March 31, 2001.

Provision for directors' retirement benefits

The annual provision for accrued retirement benefits for directors and statutory auditors of the Company and certain subsidiaries is calculated to state the liability at the amount that would be required if all directors and corporate auditors had retired at each balance sheet date. The provisions for the retirement benefits are not funded.

Income taxes

Taxes on income consist of corporation, inhabitants' and enterprise taxes.

The Group recognizes tax effects of temporary differences between the financial statement and the tax basis of assets and liabilities. The provision for income taxes is computed based on the income before income taxes and minority interests included in the statements of income of each company of the Group. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences.

Appropriations of retained earnings

Appropriations of retained earnings are accounted for and reflected in the accompanying consolidated financial statements when approved by the shareholders.

Amounts per share of common stock

Net income and loss per share of common stock has been computed based on the weighted average number of shares of common stock outstanding during each fiscal year (less the treasury stock).

Cash dividends per share represent the actual amount applicable to the respective years.

Reclassifications

Certain reclassifications have been made in the 2010 consolidated financial statements to conform to the 2011 presentation.

3. Changes in Accounting Policies

(1) New accounting standard for retirement benefits

Effective from the year ended March 31, 2010, the Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 19, "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" issued by the Accounting Standards Board of Japan on July 31, 2008.

The effect on net income of the adoption of the new accounting standard is not material.

(2) New accounting standards for construction contracts

Prior to the year ended March 31, 2010, the Company and its consolidated subsidiaries in Japan recognized revenues and costs of construction contracts using the completed-contract method. Effective from the year ended March 31, 2010, the Company and consolidated subsidiaries in Japan adopted the ASBJ Statement No. 15, "Accounting Standard for Construction Contracts" and ASBJ Guidance No. 18, "Guidance on Accounting Standard for Construction Contracts," both issued by the Accounting Standards Board of Japan on December 27, 2007. Accordingly, with respect to construction contracts whose activity commenced in the year ended March 31, 2010, the percentage-of-completion method has been applied if the outcome of the construction activity is deemed certain during the course of the activity, otherwise the completed-contract method has been applied. The percentage of completion as of the end of the reporting period is estimated based on the percentage of the cost incurred to the estimated total cost.

The effect on net income of the adoption of the new accounting standards is not material.

(3) New accounting standards for equity method

Effective from the year ended March 31, 2011, the Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 16, "Accounting Standard for Equity Method of Accounting for Investments" and ASBJ Practical Issues Task Force No. 24, "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" issued by the Accounting Standards Board of Japan on March 10, 2008, respectively.

The effect on net income of the adoption of the new accounting standards is not material.

(4) New accounting standards for asset retirement obligations

Effective from the year ended March 31, 2011, the Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 18, "Accounting Standard for Asset Retirement Obligations" and ASBJ Guidance No. 21 "Guidance on Accounting Standard for Assets Retirement Obligations," both issued by the Accounting Standards Board of Japan on March 31, 2008.

The adoption of the new accounting standards causes operating income for the year ended March 31, 2011 to be reduced by ¥8 million ($96 thousand) and income before income taxes and minority interests for the year ended March 31, 2011 to be reduced by ¥161 million ($1,940 thousand), respectively. The change of asset retirement obligations caused by adoption of the new accounting standards is ¥225 million ($2,711 thousand).

(5) New accounting standards for business combination

Effective from the year ended March 31, 2011, the Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 21, "Accounting Standard for Business Combinations," ASBJ Statement No. 23, "Partial Amendments to Accounting Standard for Research and Development Costs," ASBJ Statement No. 7, "Revised Accounting Standard for Business Divestitures," ASBJ Statement No. 16, "Revised Accounting Standard for Equity Method of Accounting for Investments," and ASBJ Guidance No. 10, "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" issued by the Accounting Standards Board of Japan on December 26, 2008, respectively.

The Company and its consolidated subsidiaries in Japan adopted ASBJ Statement No. 22, "Accounting Standard for Consolidated Financial Statements" issued by the Accounting Standards Board of Japan on December 26, 2008. The effect on net income of the adoption of the new accounting standard is not material.

4. Cash and Cash Equivalents

(1) Cash and cash equivalents at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Cash and deposits	¥ 41,114	¥ 52,756	$ 495,349
Time deposits over three months	(11,155)	(1,048)	(134,398)
Marketable securities within three months	69,822	50,408	841,229
Short-term loans receivable with resale agreement	17,338	11,668	208,892
Cash and cash equivalents	¥117,119	¥113,784	$1,411,072

(2) Breakdown of decrease in assets and liabilities resulting from transfer of shares

Below are details of principal assets and liabilities of Ortus Technology Co., Ltd., on the day that it ceased to be a consolidated subsidiary, as well as details of the relationship between the price of transferred Ortus shares and the payment for sale of investment in the subsidiary resulting in change in scope of consolidation.

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Current assets	¥6,145	$ 74,036
Noncurrent assets	1,154	13,904
Total assets	¥7,299	$87,940
Current liabilities	¥5,049	$60,832
Noncurrent liabilities	1,001	12,060
Total liabilities	¥6,050	$ 72,892
Compensation for share transfer	¥ 999	$ 12,036
Cash and cash equivalents	(1,870)	(22,530)
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	¥ (871)	$(10,494)

(3) Significant non-cash transactions

Principal assets and liabilities of Casio Hitachi Mobile Communications Co., Ltd., which is no longer included in our scope of consolidation due to its merger into NEC CASIO Mobile Communications, Ltd., are as follows:

	Millions of Yen	Thousands of U.S. Dollars
	2011	2011
Current assets	¥42,662	$514,000
Noncurrent assets	8,850	106,627
Total assets	¥51,512	$620,627
Current liabilities	¥33,890	$408,313
Noncurrent liabilities	1,021	12,301
Total liabilities	¥34,911	$420,614

The values of assets and obligations relating to finance lease transactions newly stated for the reporting fiscal year amounted to ¥1,415 million ($17,048 thousand) and ¥1,473 million ($17,747 thousand), respectively. The figures for the previous year were ¥4,552 million and ¥4,699 million, respectively.

5. Inventories

Inventories at March 31, 2011 and 2010 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Finished goods	¥31,586	¥32,794	$380,554
Work in process	5,147	5,700	62,012
Raw materials and supplies	8,694	12,128	104,747
Total	¥45,427	¥50,622	$547,313

6. Fair Value of Financial Instruments

Effective from the year ended March 31, 2010, the Company adopted ASBJ Statement No. 10, "Accounting Standard for Financial Instruments" and ASBJ Guidance No. 19, "Guidance on Disclosures about Fair Value of Financial Instruments" revised by the Accounting Standards Board of Japan on March 10, 2008, respectively. Information on financial instruments for the years ended March 31, 2011 and 2010 required pursuant to the revised accounting standards are as follows:

(1) Qualitative information on financial instruments

1) Policies for using financial instruments

The Group invests surplus funds in highly secure financial assets, and funds required for working capital and capital investments are raised through the issuance of bonds or loans from financial institutions such as banks. Derivatives are used to avoid the risks described hereinafter and no speculative transactions are entered.

2) Details of financial instruments used and risks involved, and how they are managed

Notes and accounts receivable-trade are exposed to customers' credit risk. To minimize that risk, the Group periodically monitors the due date and the balance of the accounts.

Short-term investment securities and investment securities are primarily highly secure and highly-rated bonds and include shares in companies with which the Group has business relations, and are exposed to market price fluctuation risk. The Group periodically monitors the market price and reviews the status of these holdings.

Notes and accounts payable-trade and accounts payable-other have the due date of within one year.

Operating payables, loans payable, and bonds payable are subject to liquidity risk (the risk of an inability to pay by the due date). However, the Group manages liquidity risk by maintaining short-term liquidity in excess of a certain level of consolidated sales or by other means.

The Group uses derivative transactions of forward currency exchange contracts to hedge currency fluctuation risks arising from assets and liabilities denominated in foreign currencies, as well as interest rate swap contracts to fix the cash flows associated with loans payable and bonds payable or to offset market fluctuation risks. The Group utilizes and manages derivative transactions following the internal regulation for them, which stipulates policy, objective, scope, organization, procedures and financial institutions to deal with, and has an implementation and reporting system for derivative transactions reflecting proper internal control functions.

3) Supplemental information on fair values

The fair value of financial instruments is calculated based on quoted market price or, in case where there is no market price, by making a reasonable estimation. Because the preconditions applied include a floating element, estimation of fair value may vary. The contracted amounts, as presented in Note 8 "Derivative Transactions," do not reflect market risk.

(2) Fair values of financial instruments

The following table summarizes book value and fair value of the financial instruments, and the difference between them as of March 31, 2011 and 2010. Items for which fair value is difficult to estimate are not included in the following table (see Note 2 below).

	Millions of Yen			Thousands of U.S. Dollars		
For 2011	Book value	Fair value	Difference	Book value	Fair value	Difference
Assets						
[1] Cash and deposits	¥ 41,114	¥ 41,114	¥ —	$ 495,349	$ 495,349	$ —
[2] Notes and accounts receivable–trade	61,744	61,744	—	743,904	743,904	—
[3] Short-term investment securities and investment securities						
a. Held-to-maturity debt securities	26,000	26,000	—	313,253	313,253	—
b. Available-for-sale securities	98,034	98,034	—	1,181,133	1,181,133	—
Total assets	¥226,892	¥226,892	¥ —	$2,733,639	$2,733,639	$ —
Liabilities						
[1] Notes and accounts payable–trade	¥ 51,688	¥ 51,688	¥ —	$ 622,747	$ 622,747	$ —
[2] Short-term loans payable	14,800	14,800	—	178,313	178,313	—
[3] Accounts payable–other	20,180	20,180	—	243,132	243,132	—
[4] Bonds payable	25,000	25,398	398	301,205	306,000	4,795
[5] Bonds with subscription rights to shares	50,000	49,603	(397)	602,410	597,627	(4,783)
[6] Long-term loans payable	48,000	48,299	299	578,313	581,916	3,603
Total liabilities	¥209,668	¥209,968	¥300	$2,526,120	$2,529,735	$3,615
Derivative transactions*	¥ (155)	¥ (155)	¥ —	$ (1,867)	$ (1,867)	$ —

	Millions of Yen		
For 2010	Book value	Fair value	Difference
Assets			
[1] Cash and deposits	¥ 52,756	¥ 52,756	¥ —
[2] Notes and accounts receivable–trade	75,565	75,565	—
[3] Short-term investment securities and investment securities			
a. Held-to-maturity debt securities	17,860	17,884	24
b. Available-for-sale securities	85,533	85,533	—
Total assets	¥231,714	¥231,738	¥ 24
Liabilities			
[1] Notes and accounts payable–trade	¥ 66,219	¥ 66,219	¥ —
[2] Short-term loans payable	15,846	15,846	—
[3] Accounts payable–other	38,422	38,422	—
[4] Bonds payable	10,000	10,139	139
[5] Bonds with subscription rights to shares	50,000	49,019	(981)
[6] Long-term loans payable	28,450	28,659	209
Total liabilities	¥208,937	¥208,304	¥(633)
Derivative transactions*	¥ 31	¥ 31	¥ —

* Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

Note 1: Method for calculating the fair value of financial instruments and matters related to investment securities and derivative transactions

Assets

[1] Cash and deposits, [2] Notes and accounts receivable–trade

Since these items are short-term and the fair value approximates the book value, the book value is used as fair value.

[3] Short-term investment securities and investment securities

The fair value of shares is the market price, while the fair value of bonds is the market price or the price quoted by the correspondent financial institution. Since certificates of deposit and commercial paper are short-term, and the fair value approximates the book value, the book value is used as fair value.

See Note 7 "Securities" for information on short-term investment securities categorized by holding purposes.

Liabilities

[1] Notes and accounts payable–trade, [2] Short-term loans payable, [3] Accounts payable–other

Since these items are short-term, and the fair value approximates the book value, the book value is used as fair value.

[4] Bonds payable, [5] Bonds with subscription rights to shares

The fair value of these items is calculated based on quoted market price or, in case where there is no market price, by using the discounted cash flow, based on the sum of the principal and total interest over the remaining period and credit risk.

[6] Long-term loans payable

The fair value of long-term loans payable is the sum of the principal and total interest discounted by the rate that is applied if a new loan is made. The fair value of long-term loans payable with floating rates is measured by reference to the related interest rate swap transactions (see Note 8 "Derivative Transactions"), and is the sum of the principal and total interest associated with the interest rate swap, discounted by the rate that is reasonably estimated and applied if a new loan is made.

Derivative transactions

See Note 8 "Derivative transactions."

Note 2: Financial instruments of which fair value is difficult to estimate

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
	Book value	Book value	Book value
Unlisted shares	**¥5,620**	¥3,190	**$67,711**

The market price of the above shares are not available and the future cash flow cannot be estimated. Therefore, the fair value is difficult to estimate. Hence, these are not included in "[3] Short-term investment securities and investment securities" above.

Note 3: Monetary claims, short-term investment securities and investment securities with repayment due dates after March 31, 2011 and 2010 are as follows:

	Millions of Yen				Thousands of U.S. Dollars			
For 2011	Within one year	Within five years	Within ten years	Over ten years	Within one year	Within five years	Within ten years	Over ten years
Cash and deposits	¥ 41,114	¥ —	¥—	¥ —	$ 495,349	$ —	$—	$ —
Notes and accounts receivable–trade	61,744	—	—	—	743,904	—	—	—
Short-term investment securities and investment securities								
1. Held-to-maturity debt-securities								
(1) Government bonds	—	—	—	—	—	—	—	—
(2) Corporate bonds	—	—	—	—	—	—	—	—
(3) Others	26,000	—	—	—	313,253	—	—	—
2. Available-for-sale securities with maturities								
(1) Bonds								
a. Government bonds	—	—	—	—	—	—	—	—
b. Corporate bonds	48,705	12,100	—	—	586,807	145,783	—	—
c. Others	7,000	8,047	—	—	84,337	96,952	—	—
(2) Others	2,705	—	—	154	32,591	—	—	1,855
Total	¥187,268	¥20,147	¥—	¥154	$2,256,241	$242,735	$—	$1,855

	Millions of Yen			
For 2010	Within one year	Within five years	Within ten years	Over ten years
Cash and deposits	¥ 52,756	¥ —	¥—	¥ —
Notes and accounts receivable–trade	75,565	—	—	—
Short-term investment securities and investment securities				
1. Held-to-maturity debt-securities				
(1) Government bonds	—	—	—	—
(2) Corporate bonds	3,020	—	—	—
(3) Others	14,840	—	—	—
2. Available-for-sale securities with maturities				
(1) Bonds				
a. Government bonds	—	—	—	—
b. Corporate bonds	35,578	14,500	—	—
c. Others	—	15,210	—	—
(2) Others	—	—	—	434
Total	¥181,759	¥29,710	¥—	¥434

7. Securities

(1) Held-to-maturity debt securities

	Millions of Yen						Thousands of U.S. Dollars		
	2011			2010			2011		
	Book value	Fair value	Difference	Book value	Fair value	Difference	Book value	Fair value	Difference
Securities with available fair values exceeding book values	¥26,000	¥26,000	¥—	¥17,860	¥17,884	¥24	$313,253	$313,253	$—
Securities other than the above	—	—	—	—	—	—	—	—	—
Total	¥26,000	¥26,000	¥—	¥17,860	¥17,884	¥24	$313,253	$313,253	$—

(2) Available-for-sale securities

Securities with book values exceeding acquisition costs:

	Millions of Yen						Thousands of U.S. Dollars		
	2011			2010			2011		
	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference
Equity securities	¥10,391	¥ 5,538	¥4,853	¥14,080	¥ 7,404	¥6,676	$125,193	$ 66,723	$58,470
Bonds	65,451	65,334	117	50,776	50,652	124	788,566	787,156	1,410
Others	2,859	2,858	1	—	—	—	34,446	34,434	12
Total	¥78,701	¥73,730	¥4,971	¥64,856	¥58,056	¥6,800	$948,205	$888,313	$59,892

Securities others than the above:

	Millions of Yen						Thousands of U.S. Dollars		
	2011			2010			2011		
	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference
Equity securities	¥ 8,920	¥10,874	¥(1,954)	¥ 6,128	¥ 7,187	¥(1,059)	$107,470	$131,012	$(23,542)
Bonds	10,406	10,500	(94)	14,539	15,000	(461)	125,374	126,506	(1,132)
Others	7	9	(2)	10	11	(1)	84	109	(25)
Total	¥19,333	¥21,383	¥(2,050)	¥20,677	¥22,198	¥(1,521)	$232,928	$257,627	$(24,699)

(3) Available-for-sale securities sold in the years ended March 31, 2011 and 2010:

	Millions of Yen			Thousands of U.S. Dollars		
	2011			2011		
	Sales amount	Gross realized gains	Gross realized losses	Sales amount	Gross realized gains	Gross realized losses
Equity securities	¥60	¥29	¥—	$723	$349	$—
Bonds	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total	¥60	¥29	¥—	$723	$349	$—

	Millions of Yen		
	2010		
	Sales amount	Gross realized gains	Gross realized losses
Equity securities	¥8,839	¥1,669	¥ 2
Bonds	—	—	—
Others	—	—	—
Total	¥8,839	¥1,669	¥ 2

(4) Short-term investment securities impaired

Certain short-term investment securities are impaired. An impairment loss of ¥231 million ($2,783 thousand), comprising ¥229 million ($2,759 thousand) on other securities except for trading securities ("available-for-sale securities") for which fair value is readily determinable, ¥0 million ($0 thousand) on securities of which the fair value is extremely difficult to estimate and ¥2 million ($24 thousand) on other securities has been recorded for the year ended March 31, 2011. An impairment loss of ¥1,002 million, comprising ¥1,000 million on securities of which the fair value is extremely difficult to estimate and ¥2 million on other securities has been recorded for the year ended March 31, 2010.

With respect to impairment losses, investment securities with a fair value that has declined by 50% or more against their acquisition cost are booked as an impairment loss. Among investment securities that have declined by 30% or more, but less than 50% against their acquisition cost, those that have been comprehensively assessed and deemed as unlikely to recover their value are also booked as impairment losses.

8. Derivative Transactions

Fair value of derivative transactions

The aggregate amounts contracted to be paid or received and the fair values of derivative transactions of the Group at March 31, 2011 and 2010 were as follows:

Derivative transactions not subject to hedge accounting

(1) Currency-related derivatives:

	Millions of Yen								Thousands of U.S. Dollars			
	2011				2010				**2011**			
	Contract amount				Contract amount				Contract amount			
	Total	Due after one year	Fair value	Realized gain (loss)	Total	Due after one year	Fair value	Realized gain (loss)	Total	Due after one year	Fair value	Realized gain (loss)
Forward contracts:												
To sell:												
U.S. dollars	¥ 40	¥—	¥ 40	¥ (0)	¥ 9	¥—	¥ 9	¥(0)	$ 482	$—	$ 482	$ (0)
Euros	5,426	—	5,570	(144)	—	—	—	—	65,373	—	67,108	(1,735)
Sterling pounds...	345	—	342	3	—	—	—	—	4,157	—	4,121	36
To buy:												
U.S. dollars	¥ 244	¥—	¥ 249	¥ 5	¥—	¥—	¥—	¥—	$ 2,940	$—	$ 3,000	$ 60
Total.................	¥ —	¥—	¥ —	¥(136)	¥—	¥—	¥—	¥(0)	$ —	$—	$ —	$(1,639)

(2) Interest rate-related derivatives:

	Millions of Yen								Thousands of U.S. Dollars			
	2011				2010				**2011**			
	Contract amount				Contract amount				Contract amount			
	Total	Due after one year	Fair value	Realized gain (loss)	Total	Due after one year	Fair value	Realized gain (loss)	Total	Due after one year	Fair value	Realized gain (loss)
Interest rate swaps:												
Receive fix/ Pay float...........	¥10,000	¥10,000	¥(155)	¥(6)	¥20,000	¥20,000	¥(176)	¥984	$120,482	$120,482	$(1,867)	$(72)
Total	¥10,000	¥10,000	¥(155)	¥(6)	¥20,000	¥20,000	¥(176)	¥984	$120,482	$120,482	$(1,867)	$(72)

Notes: 1. Fair values of derivative transactions are determined by prices principally reported by the financial institutions with which the Group engages in derivative transactions.

2. Interest rate swaps that no longer meet hedging criteria are stated separately. Amounts corresponding to fair values are included in "other long-term liabilities" in consolidated balance sheets. The net deferred amounts to be paid or received under the said interest rate swaps are periodically charged to expenses or income over the remaining contract periods.

Derivative transactions subject to hedge accounting

(1) Currency-related derivatives

			Millions of Yen			Thousands of U.S. Dollars		
			2011			**2011**		
			Contract amount			Contract amount		
Hedge accounting method	Type	Main hedged items	Total	Due after one year	Fair value	Total	Due after one year	Fair value
Forward contracts that are subject to appropriated treatment	Forward contracts: To sell Chinese yuan	Foreign-currency deposit	¥10,056	¥—	Note 3	$121,157	$—	Note 3
Total..			¥10,056	¥—	¥—	$121,157	$—	$—

			Millions of Yen		
			2010		
			Contract amount		
Hedge accounting method	Type	Main hedged items	Total	Due after one year	Fair value
Currency swaps that are subject to appropriated treatment	Currency swaps: Receive in yen/ Pay in U.S. dollars	Foreign-currency bond	¥3,020	¥—	Note 2
Total..			¥3,020	¥—	¥—

(2) Interest rate-related derivatives

			Millions of Yen			Thousands of U.S. Dollars		
			2011			2011		
			Contract amount			Contract amount		
Hedge accounting method	Type	Main hedged item	Total	Due after one year	Fair value	Total	Due after one year	Fair value
Principle accounting method	Interest rate swaps: Receive fix/ Pay float	Long-term loans payable, etc.	¥10,000	¥ —	¥136	$120,482	$ —	$1,639
Interest rate swaps that are subject to special treatment	Interest rate swaps: Receive float/ Pay fix	Long-term loans payable	18,000	18,000	Note 4	216,867	216,867	Note 4
Total			¥28,000	¥18,000	¥ —	$337,349	$216,867	$ —

			Millions of Yen		
			2010		
			Contract amount		
Hedge accounting method	Type	Main hedged item	Total	Due after one year	Fair value
Principle accounting method	Interest rate swaps: Receive fix/ Pay float	Long-term loans payable, etc.	¥10,000	¥10,000	¥207
Interest rate swaps that are subject to special treatment	Interest rate swaps: Receive float/ Pay fix	Long-term loans payable	8,000	8,000	Note 4
Total			¥18,000	¥18,000	¥ —

Notes: 1. Fair values of derivative transactions are determined by prices principally reported by the financial institutions with which the Group engages in derivative transactions.
2. Since currency swaps that are subject to appropriated treatment are accounted for together with short-term investment securities, which are hedged items, their fair value is included in the fair value of the said short-term investment securities.
3. Since forward contracts that are subject to appropriated treatment are accounted for together with deposit, which are hedged items, their fair value is included in the fair value of the said deposit.
4. Since interest rate swaps that are subject to special treatment are accounted for with long-term loans payable, which are hedged items, their fair value is included in the fair value of the said long-term loans payable.

9. Short-term Loans Payable and Long-term Debt

Short-term loans payable represent unsecured bank loans and its average interest rates were 1.2% and 0.8% per annum at March 31, 2011 and 2010, respectively.

Bonds and long-term loans payable at March 31, 2011 and 2010 consisted of:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Euro-yen convertible bonds with stock warrants due in 2015*	¥ 50,000	¥50,000	$ 602,410
1.32% unsecured bonds due in 2014	10,000	10,000	120,482
1.07% unsecured bonds due in 2015	15,000	—	180,723
Unsecured loans principally from banks at interest rates of 0.47% to 1.83% maturing through 2015	48,000	28,450	578,313
Total	123,000	88,450	1,481,928
Less amount due within one year	10,000	450	120,482
	¥113,000	¥88,000	$1,361,446

* Details of issuances of share subscription rights attached to bonds (“warrants”):
Type of shares involved: ordinary shares of common stock
Price of warrant: gratis
Share issue price: ¥1,952
Total issue amount: ¥50,000 million
Total value of new shares issued upon exercise of warrants: —
Warrant-linked: 100%
Period of exercise of warrants: July 3, 2008 to March 17, 2015
Upon request to exercise warrants in question, payments usually required for the issuance of the corresponding number of shares shall be exempted as the issuer of bonds in question, in return, will be automatically exempted from obligation of redemption of the bonds in lump-sum.
Exercise of warrants in question shall be regarded as eligible request for exercise of share subscription rights.

The annual maturities of bonds and long-term loans payable at March 31, 2011 were as follows:

Year ending March 31	Millions of Yen	Thousands of U.S. Dollars
2012	¥10,000	$120,482
2013	—	—
2014	30,000	361,446
2015	68,000	819,277
2016	15,000	180,723

The annual maturities of lease obligations at March 31, 2011 were as follows:

Year ending March 31	Millions of Yen	Thousands of U.S. Dollars
2012	¥740	$8,916
2013	675	8,133
2014	456	5,494
2015	218	2,627
2016	85	1,024
Thereafter	32	386

The line of credit with the main financial institutions agreed as of March 31, 2011 and 2010 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
Line of credit	**¥88,735**	¥61,725	**$1,069,096**
Unused	**88,735**	61,725	**1,069,096**

10. Income Taxes

The Company and domestic consolidated subsidiaries used the statutory income tax rate of 40.7% for calculation of deferred income tax assets and liabilities at March 31, 2011.

The following table summarizes the significant differences between statutory tax rate and the Group’s actual income tax rate for financial statement purposes for the year ended March 31, 2011.

	2011
Statutory tax rate	**40.7%**
Increase (reduction) in tax resulting from:	
Nondeductive expenses (Entertainment, etc.)	**1.1**
Difference in statutory tax rate (included in foreign subsidiaries)	**(8.3)**
Valuation allowance	**7.7**
Equity in earnings of affiliates	**6.3**
Other	**1.7**
Actual income tax rate	**49.2%**

The significant differences between the statutory tax rate and the Group’s actual income tax rate for financial statement purposes for the year ended March 31, 2010 are not disclosed because the Company recognized a loss before income taxes.

Significant components of deferred tax assets and liabilities as of March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Deferred tax assets:			
Net operating loss carryforwards	¥15,606	¥22,004	$188,024
Provision for retirement benefits	7,895	7,575	95,121
Inventories	2,521	4,188	30,374
Accrued expenses (bonuses to employees)	2,242	2,483	27,012
Property, plant and equipment	1,331	3,384	16,036
Other	8,641	19,220	104,108
Gross deferred tax assets	38,236	58,854	460,675
Valuation allowance	(15,501)	(34,774)	(186,759)
Total deferred tax assets	22,735	24,080	273,916
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	(2,022)	(2,766)	(24,361)
Unrealized holding gain	(1,878)	(1,878)	(22,627)
Reserve for advanced depreciation of noncurrent assets	(126)	(183)	(1,518)
Other	(62)	(94)	(747)
Total deferred tax liabilities	(4,088)	(4,921)	(49,253)
Net deferred tax assets	¥18,647	¥19,159	$224,663

11. Provision for Retirement Benefits

The liabilities for the provision for retirement benefits included in the liability section of the consolidated balance sheets at March 31, 2011 and 2010 consist of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Projected benefit obligation	¥70,846	¥71,808	$853,566
Unrecognized prior service costs	6,149	7,025	74,084
Unrecognized actuarial differences	(17,892)	(17,089)	(215,566)
Less fair value of pension assets*	(48,407)	(51,753)	(583,217)
Prepaid pension cost	—	21	—
Liabilities for the provision for retirement benefits	¥10,696	¥10,012	$128,867

* Including employee retirement benefit trust

Included in the consolidated statements of operations for the years ended March 31, 2011 and 2010 are provision for retirement benefit expenses comprised of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Service cost—benefits earned during the year	¥2,455	¥3,565	$29,578
Interest cost on projected benefit obligation	1,653	1,647	19,916
Expected return on plan assets	(1,441)	(1,296)	(17,361)
Amortization of prior service costs	(865)	(871)	(10,422)
Amortization of actuarial differences	1,911	2,295	23,024
Amortization of net transition obligation	—	1,170	—
Other	144	163	1,735
Provision for retirement benefit expenses	¥3,857	¥6,673	$46,470

The discount rate and the rate of expected return on plan assets used by the Group are 2.5% and 3.0%, respectively, in both 2011 and 2010.

The estimated amount of all retirement benefits to be paid at the future retirement date is allocated equally to each service year using the estimated number of total service years. Actuarial gains and losses are to be recognized in expenses using the straight-line method over 9–15 years (a certain period not exceeding the average of the estimated remaining service lives commencing with the next period). Prior service costs are to be recognized in expenses using the straight-line method over 9–15 years (a certain period not exceeding the average of the estimated remaining service lives).

12. Net Assets

Under the Japanese Corporation Law ("the Law") and regulations, the entire amount paid for new shares is required to be designated as capital stock. However, a company may, by a resolution of the Board of Directors, designate an amount not exceeding one-half of the price of the new shares as additional paid-in capital, which is included in capital surplus.

In cases where dividend distribution of surplus is made, the smaller of an amount equal to 10% of the dividend or the excess, if any, of 25% of capital stock over the total of additional paid-in capital and legal earnings reserve must be set aside as additional paid-in capital or legal earnings reserve. Legal earnings reserve is included in retained earnings in the accompanying consolidated balance sheets.

Additional paid-in capital and legal earnings reserve may not be distributed as dividends. However, all additional paid-in capital and all legal earnings reserve may be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the non-consolidated financial statements of the Company in accordance with the Law.

13. Lease Transactions

(1) Finance lease transactions which do not transfer the ownership of the leased property to the lessee, and that were concluded prior to the first year for which the new accounting standards were applied

The amounts of outstanding future lease payments and accumulated impairment losses on leased assets due at March 31, 2011 and 2010 and total lease expenses (corresponding to reversal of accumulated impairment loss on lease assets, total assumed depreciation cost, total assumed interest cost and impairment loss) as lessee for the years ended March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Future lease payments:			
Due within one year	¥ 861	¥1,747	$10,373
Due over one year	367	1,718	4,422
Total	¥1,228	¥3,465	$14,795
Term-end balance of accumulated impairment loss on lease assets	¥ 646	¥2,149	$ 7,783
Total lease expenses	¥1,290	¥2,881	$15,542
Reversal of accumulated impairment loss on lease assets	¥ 787	¥1,413	$ 9,482
Total assumed depreciation cost	¥ 490	¥ 909	$ 5,904
Total assumed interest cost	¥ 61	¥ 151	$ 735
Total assumed impairment loss	¥ 12	¥ —	$ 145

Assumed data as to acquisition cost, accumulated depreciation, accumulated impairment loss and net book value of the lease assets under the finance lease contracts as lessee at March 31, 2011 and 2010 were summarized as follows:

	Millions of Yen								Thousands of U.S. Dollars			
	2011				2010				2011			
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Net book value	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Net book value	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Net book value
Machinery	¥4,631	¥2,244	¥2,011	¥376	¥7,342	¥3,385	¥3,326	¥ 631	$55,795	$27,036	$24,229	$4,530
Equipment	393	322	5	66	1,202	886	19	297	4,735	3,879	60	796
Other	311	243	—	68	895	657	—	238	3,747	2,928	—	819
Total	¥5,335	¥2,809	¥2,016	¥510	¥9,439	¥4,928	¥3,345	¥1,166	$64,277	$33,843	$24,289	$6,145

(2) Operating leases

The amount of outstanding future noncancellable lease payments due at March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Future lease payments:			
Due within one year	¥ 57	¥32	$ 687
Due over one year	72	59	867
Total	¥129	¥91	$1,554

14. Segment Information

Effective from the year ended March 31, 2011, the Company adopted ASBJ Statement No. 17, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" and ASBJ Guidance No. 20, "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" issued by the Accounting Standards Board of Japan on March 27, 2009 and on March 21, 2008, respectively.

(1) Overview of reportable segments

The Company's reportable segments consist of the Company's constituent units for which separate financial information is available and which are subject to periodic examination in order for the board of directors to determine the allocation of management resources and evaluate financial results.

The Company has designated three areas of segment reporting, which are the "Consumer," "System equipment," and "Others" segments, based on the type of products and services, and the market and consumer categories.

The categories of the main products and services belonging to each reportable segment are as follows.

Consumer.................Watches, Clocks, Electronic dictionaries, Electronic calculators, Label printers, Electronic musical instruments, Digital cameras, Cellular phones, etc.

System equipment .....Handy terminals, Electronic cash registers (including POS), Office computers, Page printers, Data projectors, etc.

Others.......................WLP processing consignments, LCDs, Molds, etc.

(2) Basis of measurement about reportable segment income or loss, segment assets, segment liabilities and other material items

The accounting method for the reportable segments is largely in line with the descriptions in Notes 1–3. Inter-segment profits and transfers are based on the market price.

(3) Information on net sales, income or loss, assets and other categories for each reportable segment

Segment information as of and for the fiscal years ended March 31, 2011 and 2010 are as follows:

	Millions of Yen					
	Reportable segments					
For 2011	Consumer	System equipment	Others	Total	Adjustment	Consolidated
Net sales:						
Outside customers	¥252,083	¥46,511	¥43,084	¥341,678	¥ —	¥341,678
Inside Group	18	627	5,963	6,608	(6,608)	—
Total	252,101	47,138	49,047	348,286	(6,608)	341,678
Segment income (loss)	16,521	(1,488)	576	15,609	(3,567)	12,042
Segment assets	¥151,808	¥44,735	¥45,699	¥242,242	¥160,214	¥402,456
Others						
Depreciation and amortization	¥ 8,013	¥ 2,916	¥ 1,781	¥ 12,710	¥ 205	¥ 12,915
Amortization of Goodwill	¥ 140	¥ 24	¥ —	¥ 164	¥ —	¥ 164
Investment to equity method affiliates	¥ 2,272	¥ —	¥ 2,212	¥ 4,484	¥ —	¥ 4,484
Increase in property, plant and equipment and intangible assets	¥ 7,116	¥ 2,354	¥ 923	¥ 10,393	¥ 57	¥ 10,450

	Thousands of U.S. Dollars					
	Reportable segments					
For 2011	Consumer	System equipment	Others	Total	Adjustment	Consolidated
Net sales:						
Outside customers	$3,037,145	$560,373	$519,084	$4,116,602	$ —	$4,116,602
Inside Group	216	7,555	71,844	79,615	(79,615)	—
Total	3,037,361	567,928	590,928	4,196,217	(79,615)	4,116,602
Segment income (loss)	199,048	(17,928)	6,940	188,060	(42,976)	145,084
Segment assets	$1,829,012	$538,976	$550,590	$2,918,578	$1,930,289	$4,848,867
Others						
Depreciation and amortization	$ 96,542	$ 35,133	$ 21,458	$ 153,133	$ 2,469	$ 155,602
Amortization of Goodwill	$ 1,687	$ 289	$ —	$ 1,976	$ —	$ 1,976
Investment to equity method affiliates	$ 27,373	$ —	$ 26,651	$ 54,024	$ —	$ 54,024
Increase in property, plant and equipment and intangible assets	$ 85,735	$ 28,361	$ 11,121	$ 125,217	$ 687	$ 125,904

For 2010	Millions of Yen Reportable segments Consumer	System equipment	Others	Total	Adjustment	Consolidated
Net sales:						
Outside customers	¥337,035	¥43,555	¥47,335	¥427,925	¥ —	¥427,925
Inside Group	23	628	19,036	19,687	(19,687)	—
Total	337,058	44,183	66,371	447,612	(19,687)	427,925
Segment income (loss)	(17,144)	(2,809)	(4,801)	(24,754)	(4,555)	(29,309)
Segment assets	¥170,282	¥61,972	¥62,508	¥294,762	¥135,221	¥429,983
Others						
Depreciation and amortization	¥ 23,856	¥ 2,682	¥ 2,281	¥ 28,819	¥ 220	¥ 29,039
Amortization of Goodwill	¥ 193	¥ 12	¥ —	¥ 205	¥ —	¥ 205
Investment to equity method affiliates	¥ —	¥ —	¥ 1,989	¥ 1,989	¥ —	¥ 1,989
Increase in property, plant and equipment and intangible assets	¥ 25,443	¥ 1,789	¥ 1,968	¥ 29,200	¥ 211	¥ 29,411

Notes: 1. Adjustments are as shown below:

(1) Adjustments to segment income or loss for the years ended March 31, 2011 and 2010 were ¥(3,567) million ($(42,976) thousand) and ¥(4,555) million, respectively. These amounts include corporate expenses that are not allocated to reportable segments of ¥(3,567) million ($(42,976) thousand) and ¥(4,555) million, respectively. Corporate expenses principally consist of administrative expenses and R&D expenses for fundamental research of the Company that are not attributable to reportable segments.

(2) Adjustments to segment assets for the years ended March 31, 2011 and 2010 were ¥160,214 million ($1,930 million) and ¥135,221 million, respectively. These amounts include corporate assets that are not allocated to reportable segments of ¥161,088 million ($1,941 million) and ¥137,454 million, respectively.

(3) Adjustments to depreciation and amortization for the years ended March 31, 2011 and 2010 were ¥205 million ($2,469 thousand) and ¥220 million, respectively. These amounts consist of depreciation and amortization of assets related to administrative divisions that are not attributable to reportable segments.

(4) Adjustment to the increase in property, plant and equipment and intangible assets for the years ended March 31, 2011 and 2010 were ¥57 million ($687 thousand) and ¥211 million, respectively. These amounts consist of capital expenditures of administrative divisions that are not attributable to reportable segments.

2. Segment income or loss is reconciled with operating income on the consolidated statements of operations.

(4) Information about geographic areas

For 2011	Millions of yen Japan	North America	Europe	Asia	Others	Total
Net sales	¥162,351	¥42,109	¥54,155	¥54,465	¥28,598	¥341,678

For 2011	Thousands of U.S. Dollars Japan	North America	Europe	Asia	Others	Total
Net sales	$1,956,036	$507,337	$652,470	$656,205	$344,554	$4,116,602

Note: Sales are classified by client country or region.

(5) Information on impairment loss for each reporatble segment

For 2011	Millions of yen Consumer	System equipment	Others	Elimination or unallocated amount	Total
Impairment loss	¥—	¥—	¥646	¥—	¥646

For 2011	Thousands of U.S. Dollars Consumer	System equipment	Others	Elimination or unallocated amount	Total
Impairment loss	$—	$—	$7,783	$—	$7,783

(6) Information on amortization of goodwill and unamortized balance in each reportable segment

For 2011	Millions of Yen				
	Consumer	System equipment	Others	Elimination or unallocated amount	Total
Goodwill					
Balance at the end of the reporting year	¥303	¥84	¥—	¥—	¥387
Negative goodwill					
Amortization for the reporting year	115	—	0	—	115
Balance at the end of the reporting year	171	—	1	—	172

For 2011	Thousands of U.S. Dollars				
	Consumer	System equipment	Others	Elimination or unallocated amount	Total
Goodwill					
Balance at the end of the reporting year	$3,651	$1,012	$—	$—	$4,663
Negative goodwill					
Amortization for the reporting year	1,386	—	0	—	1,386
Balance at the end of the reporting year	2,060	—	12	—	2,072

(7) Information on business segments, geographical segments, and overseas sales

Segment information as of and for the fiscal year ended March 31, 2010, which is in conformity with the former standard applicalbe to the prior fiscal year, is as follows:

1) Business segments

For 2010	Millions of Yen				
	Electronics	Electronic components and others	Total	Elimination or unallocated amount	Consolidated
Net sales:					
Outside customers	¥380,590	¥47,335	¥427,925	¥ —	¥427,925
Inside Group	651	19,036	19,687	(19,687)	—
Total	381,241	66,371	447,612	(19,687)	427,925
Costs and expenses	401,194	71,172	472,366	(15,132)	457,234
Operating loss	¥ (19,953)	¥ (4,801)	¥ (24,754)	¥ (4,555)	¥ (29,309)
Total assets	¥232,254	¥62,508	¥294,762	¥135,221	¥429,983
Depreciation	¥ 26,743	¥ 2,281	¥ 29,024	¥ 220	¥ 29,244
Impairment loss	¥ 282	¥ 7	¥ 289	¥ 0	¥ 289
Capital expenditures	¥ 27,232	¥ 1,968	¥ 29,200	¥ 211	¥ 29,411

Notes: 1. Business segments are classified by the application or nature of each product, method of manufacturing and sales, profit management and related assets.

2. Major products in each business segment:
   (1) Electronics:
   Electronic calculators, Label printers, Electronic dictionaries, Digital cameras, Electronic musical instruments, Digital watches, Analog watches, Clocks, Cellular phones, Handy terminals, Electronic cash registers (including POS), Office computers, Page printers, Data projectors
   (2) Electronic components and others:
   LCDs, Bump processing consignments, Factory automation, Molds, etc.
3. Elimination or unallocated amounts of costs and expenses principally consisted of administrative expenses and R&D expenses for fundamental research of the parent company, which amounted to ¥4,555 million for the year ended March 31, 2010.
4. Elimination or unallocated amounts of total assets principally consisted of cash and deposits, short-term investment securities, investment securities and administrative assets of the parent company, which amounted to ¥137,454 million for the year ended March 31, 2010.
5. As disclosed in Note 3. (2), effective from the fiscal year ended March 31, 2010, ASBJ Statement No. 15, "Accounting Standard for Construction Contracts" and ASBJ Guidance No. 18, "Guidance on Accounting Standard for Construction Contracts" issued on December 27, 2007 have been applied. The effect on net income of the adoption of the new accounting standards is not material.

2) Geographical segments

For 2010	Japan	Americas	Europe	Asia	Total	Elimination	Consolidated
	Millions of Yen						
Net sales:							
Outside customers	¥307,488	¥35,047	¥59,373	¥ 26,017	¥427,925	¥ —	¥427,925
Inside Group	80,038	449	6	87,085	167,578	(167,578)	—
Total	387,526	35,496	59,379	113,102	595,503	(167,578)	427,925
Costs and expenses	420,512	33,304	60,404	110,786	625,006	(167,772)	457,234
Operating income (loss)	¥ (32,986)	¥ 2,192	¥ (1,025)	¥ 2,316	¥ (29,503)	¥ 194	¥ (29,309)
Total assets	¥393,238	¥15,476	¥26,189	¥ 37,783	¥472,686	¥ (42,703)	¥429,983

Notes: 1. Segments of countries and areas are classified by geographical location.
2. The main countries and the areas which belong to each segment except for Japan were as follows:
(1) Americas.......... U.S.A., Canada, Mexico, Brazil
(2) Europe............ U.K., Germany, France, Spain, Netherlands, Norway, Russia, Italy
(3) Asia .... Taiwan, Hong Kong, Singapore, China, India, Indonesia, Thailand
3. As disclosed in Note 3. (2), effective from the fiscal year ended March 31, 2010, ASBJ Statement No. 15, "Accounting Standard for Construction Contracts" and ASBJ Guidance No. 18, "Guidance on Accounting Standard for Construction Contracts" issued on December 27, 2007 have been applied. The effect on net income of the adoption of the new accounting standards is not material.

3) Overseas sales

For 2010	North America	Europe	Asia	Others	Total
	Millions of Yen				
Overseas net sales	¥64,916	¥60,467	¥54,159	¥25,548	¥205,090
Net sales (consolidated)	—	—	—	—	427,925
Share of overseas net sales	15.2%	14.1%	12.6%	6.0%	47.9%

Notes: 1. Segments of countries and areas are classified by geographical location.
2. The main countries and the areas which belong to each segment were as follows:
(1) North America .........U.S.A., Canada
(2) Europe....................U.K., Germany, France
(3) Asia ....Hong Kong, Singapore, China, South Korea, Taiwan
3. The above overseas net sales represent net sales made outside Japan by the Company and consolidated subsidiaries.

15. Commitments and Contingent Liabilities

At March 31, 2011 and 2010, the Group was contingently liable for trade notes and export drafts discounted with banks in the amount of ¥1,673 million ($20,157 thousand) and ¥1,811 million, respectively.

16. Stock Option

By special resolution at the 47th annual shareholders' meeting held on June 27, 2003, the Company introduced a stock option plan in accordance with Article 280-20, 21 of the Commercial Code in Japan, and granted stock purchase rights at advantageous terms to employees of the Company and directors of subsidiaries, as of June 27, 2003.

The stock purchase rights can be exercised at a price of ¥1,221 ($14.71) per share in the period from July 1, 2005 to June 30, 2010, and a total of 70 thousand shares of common stock could be issued by the exercise of these rights. The stock purchase rights for those 70 thousand shares that had not been exercised expired on June 30, 2010.

By special resolution at the 48th annual shareholders' meeting held on June 29, 2004, the Company introduced a stock option plan in accordance with Article 280-20, 21 of the Commercial Code in Japan, and granted stock purchase rights at advantageous terms to employees of the Company and directors of affiliates, as of June 29, 2004.

The stock purchase rights can be exercised at a price of ¥1,575 ($18.98) per share in the period from July 1, 2006 to June 30, 2011, and a total of 141.1 thousand shares of common stock could be issued by the exercise of these rights. The exercise price of stock purchase rights would be adjusted, if the Company issues new shares at a price below the market price.

17. Business Structure Improvement Expenses and Impairment Loss

(1) Business structure improvement expenses

For 2010:

The expected amount of the said losses was posted in the provision for business structure improvement to provide against the accrual of losses following the subsidiary merger resulting from the business integration of its mobile terminal business.

(2) Impairment loss

For 2011:

The Company and its consolidated subsidiaries have posted impairment loss. Details are as follows:

Use	Type of assets	Location
Business assets used in the other businesses of some Group companies	Land, buildings and structures, machinery and equipment, tools, furniture and fixtures, lease assets	Chuo City and Fuefuki City, Yamanashi Pref.
Idle assets	Land, buildings and structures	Fujinomiya City and Fuji City, Shizuoka Pref.

With respect to business assets, the Company and its consolidated subsidiaries carry out asset grouping principally according to its management accounting categories, which are employed to enable continuous monitoring of the Group's earnings situation. Idle assets are managed on an individual basis. The Company and its subsidiaries have applied impairment accounting to business assets whose values are deemed to have significantly declined due to deteriorating business environment and idle assets to make optimal use of these assets in the future.

Book value of these assets was reduced to recoverable amounts and the reduced amounts (¥646 million [$7,783 thousand]) were recognized as "impairment loss."

The breakdown of the losses is: ¥314 million ($3,783 thousand) for land, ¥155 million ($1,867 thousand) for buildings and structures, ¥90 million ($1,084 thousand) for machinery and equipment, and ¥87 million ($1,048 thousand) for others.

Recoverable amounts are estimated using net selling prices which are reasonably estimated. Recoverable amounts for land are calculated based on real estate appraisal values or roadside land prices and using estimated disposal values for other assets.

18. Business Combination

For 2011:

Business divestiture

On April 1, 2010, through company split, Ortus Technology Co., Ltd., a wholly-owned subsidiary of the Company, took over the Company's small and medium-size display business, and Toppan Printing Co., Ltd. acquired 80% of the shares in Ortus Technology Co., Ltd. from the Company on the same aforementioned date.

Summary of business divestiture

1) Name of the company to which the business in being divested

Toppan Printing Co., Ltd.

2) Details of the business divested

Small and medium-size display business

3) Reason for business divestiture

Seeking early commercialization of organic light-emitting diode (OLED) displays jointly developed by the Company and Toppan Printing, the two companies decided that the collaboration would be the best for the small and medium-size display business.

4) Date of business divestiture

April 1, 2010

Summary of accounting procedures

1) Transfer of gain (loss)

Not applicable

2) Proper book-value of assets and liabilities employed in the business transferred:

	Millions of Yen	Thousands of U.S. Dollars
Current assets	¥6,145	$74,036
Noncurrent assets	1,154	13,904
Total assets	¥7,299	$87,940
Current liabilities	¥5,049	$60,832
Noncurrent liabilities	1,001	12,060
Total liabilities	¥6,050	$72,892

3) Reportable segment in which the business divested is included
Others

Business combination of subsidiary
The Company, NEC Corporation (NEC), and Hitachi, Ltd. (Hitachi) agreed to integrate and operate their respective mobile terminal businesses as a joint-venture company. On March 24, 2010, Casio Hitachi Mobile Communications Co., Ltd. (CHMC), a consolidated subsidiary of the Company, concluded a merger agreement with NEC CASIO Mobile Communications, Ltd. (NCMC). On April 20, 2010, a memorandum was signed to change the effective date of the integration to June 1, 2010. On June 1, 2010, CHMC merged with NCMC.

Summary of business combination performed by subsidiary
1) Name and business of business combination including subsidiary
a. Surviving company
Company Name: NEC CASIO Mobile Communications, Ltd.
Business Summary: Mobile terminal development, production, sales and maintenance
b. Merging company
Company Name: Casio Hitachi Mobile Communications Co., Ltd. (a consolidated subsidiary)
Business Summary: Mobile terminal development, design, production, procurement, quality control, sales and maintenance

2) Reason for the business combination
The Company, NEC and Hitachi agreed to integrate and operate their respective mobile terminal businesses as a joint-venture company.

NCMC completely integrated NEC's Mobile Terminal Operations Unit with CHMC's entire business including sales, development, production and maintenance. The new company boasts a highly competitive range of products that merges the advanced technologies and product development capabilities of each company. Furthermore, combination of NEC's IT/Network technology supported by product development capabilities linked to service business for enterprises and consumers, and CHMC's consumer product technologies and planning strength, is expected to result in the creation of innovative synergies and the development of appealing new products, in addition to future growth area.

The Company, NEC and Hitachi integrate their mobile terminal business in order to strengthen both domestic and international business while increasing competitive strength and capitalizing on each company's brand recognition by (1) achieving synergies in a variety of fields, including sales expansion, procurement and customer service, and (2) reinforcing product development by unifying technological assets, know-how and resources.

3) Date of business combination
June 1, 2010

4) Summary of business combination including its legal form
a. Merger method
Absorption-type merger where NCMC is the surviving company and CHMC is dissolved.
b. Allocation of shares
In this merger, NCMC issues 3,400 shares of common stock in NCMC, which then allocate the shares of common stock to the registered shareholders of CHMC on a day before the effective date of the merger in accordance with the percentage of share ownership of CHMC's shareholders on the same date.

Summary of accounting procedures
Accounting procedures are based on ASBJ Statement No. 7, "Accounting Standard for Business Divestitures" (Revised on December 26, 2008) and ASBJ Guidance No. 10, "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (Revised on December 26, 2008).

Reportable segment in which the business divested is included
Consumer

Estimated total income of the subsidiary in the consolidated statement of operations for the year ended March 31, 2011
Net sales: ¥16,590 million ($199,880 thousand)

19. Subsequent Events

(1) At the annual shareholders' meeting held on June 29, 2011, the Company's shareholders approved the payment of a cash dividend of ¥17.00 ($0.20) per share aggregating ¥4,571 million ($55,072 thousand) to registered shareholders as of March 31, 2011.

(2) Transfer of the WLP-related business of the Company and a consolidated subsidiary to a new company through a company split, assignment of the new company's shares, and granting of debt waiver to the consolidated subsidiary

At a meeting of the Board of Directors on June 17, 2011, the Company resolved that the Wafer Level Package ("WLP")-related business of the Company and its consolidated subsidiary Casio Micronics Co., Ltd. (hereinafter "Casio Micronics") would in each case be split off and transferred to Teramikros, Inc. (provisional name; hereinafter "Teramikros"), which is to be newly established by the Company (these demergers are referred to hereinafter collectively as "the company split"); that all shares in Teramikros would be transferred to Tera Probe, Inc. (hereinafter "Tera Probe") ("the share transfer"); and that a debt waiver would be granted in relation to loans made to Casio Micronics. Accordingly, a share transfer agreement was signed with Tera Probe.

Further, the effective date of the company split and the date of the share transfer are scheduled to be October 1, 2011.

1) Aims of the company split and the share transfer, and reason for the debt waiver

For many years, the Company has been continuously involved in high density packaging-related R&D, and since establishing Casio Micronics in 1987, Casio Micronics has played a central role in developing wafer bump forming technology and promoting the processing services business. Along with steady enlargement in the scope of the business, since 2001 we have extended the development of this bump technology into the "WLP" field, which is the ultimate semiconductor package. Going forward, we intend to continue serving our customers by strengthening our production capacity in this field while maximizing the technological capability we have built up over many years, through partnerships and collaboration with other companies in the fields of technology and business, including related testing, dicing, tape & reel, device management, circuit board integration, modulization, and design.

However, we will need to continue making significant capital investments in order to deploy new technologies in the semiconductor industry and compete successfully with overseas makers to win new orders. Hitherto, the Company has provided continuous R&D support to Casio Micronics. However, the extent to which Casio Group alone can achieve business growth is limited, including from the perspectives of fund procurement and sales expansion, and we now recognize that we will need to strengthen our business infrastructure through partnerships with other companies, including business transfers.

Since starting business in 2005, Tera Probe, which will receive the WLP-related business, has steadily grown its core business of wafer testing services for semiconductor manufacturing, and in December 2010 the company successfully went public with a listing on the Mothers section of the Tokyo Stock Exchange. In receiving Casio Group's WLP-related business, Tera Probe plans to strengthen and expand its presence in the turnkey business by leveraging synergies from the wafer testing and WLP-related operations, positioning the WLP-related business as a new area of strategic growth. After the share transfer, we believe that Teramikros will be able to achieve further business expansion as a core company in the Tera Probe group.

We have decided that loans made by the Company to Casio Micronics will not be subject to transfer, and the full amount of the debt will be waived.

2) About the company split

a. Overview of the company split

(i) Schedule of the company split

Schedule of absorption-type company split between the Company and Teramikros

Board of Directors meeting to approve the share transfer agreement
June 17, 2011 (Fri)

Date of signing of share transfer agreement
June 17, 2011 (Fri)

Establishment of Teramikros
July 20, 2011 (Wed) (scheduled)

Board of Directors meeting to approve absorption-type company split agreement
July 29, 2011 (Fri) (scheduled)

Date of signing of absorption-type company split agreement
July 29, 2011 (Fri) (scheduled)

Date of absorption-type company split (effective date)
October 1, 2011 (Sat) (scheduled)

Company split registration date
October 1, 2011 (Sat) (scheduled)

Note: For the Company, the company split corresponds to a simple absorption-type company split pursuant to Article 784, Paragraph 3 of the Companies Act, and for Teramikros, the company split corresponds to an informal absorption-type company split pursuant to Article 796, Paragraph 1 of the Companies Act. Therefore, in both cases a general meeting of shareholders will not be convened.

Schedule of absorption-type company split between Casio Micronics and Teramikros

Board of Directors meeting to approve share transfer agreement
June 17, 2011 (Fri)

Date of signing of share transfer agreement
June 17, 2011 (Fri)

Establishment of Teramikros
July 20, 2011 (Wed) (scheduled)

Board of Directors meeting to approve absorption-type company split agreement
July 29, 2011 (Fri) (scheduled)

Date of signing of absorption-type company split agreement
July 29, 2011 (Fri) (scheduled)

Extraordinary General Meeting of Shareholders to approve absorption-type company split
July 29, 2011 (Fri) (scheduled)

Date of absorption-type company split (effective date)
October 1, 2011 (Sat) (scheduled)

Company split registration date
October 1, 2011 (Sat) (scheduled)

(ii) Method of the company split

The Company

A spin-off-type absorption company split (physical company split) is planned in which the WLP-related business of the Company and Casio Micronics are the split company and Teramikros, which the Company will establish, is the succeeding company.

Casio Micronics

A split-off-type absorption company split (personnel separation) is planned in which Casio Micronics is the split company and Teramikros, which the Company will establish, is the succeeding company.

(iii) Change in funds, etc. following the company split

There will be no change in the capital of the Company and Casio Micronics following the company split.

(iv) Rights and obligations inherited by the succeeding company

As of the effective date of the company split, Teramikros will inherit the assets, liabilities and incidental rights and obligations of the WLP-related business of the Company and Casio Micronics, as specified in the absorption-type company split agreement.

b. Overview of the parties to the company split

Name: Teramikros, Inc. (provisional name)

Capital: Undecided

Number of employees: Approx. 305 (including temporary employees)

c. Overview of the business division being split off

(i) The Company

Business activities of the division being split off
WLP-related business (research/development)

Business results of the division being split off (year to March 2011)
As the division is an R&D division, no sales are recorded.

Monetary amounts of assets and liabilities being split off (as at March 31, 2011)

	Millions of Yen	Thousands of U.S. Dollars
Current assets	¥—	$ —
Noncurrent assets	47	566
Total assets	¥47	$566
Current liabilities	¥76	$916
Noncurrent liabilities	—	—
Total liabilities	¥76	$916

Note: The monetary amounts of the assets and liabilities being split off are estimates based on the balance sheet at March 31, 2011. The monetary amounts of the assets and liabilities actually split off will differ due to fluctuations arising until the effective date. The above figures are rounded off to the nearest million.

(ii) Casio Micronics

Business activities of the division being split off

WLP-related business (research/development/manufacturing/sales)

Business results of the division being split off (year to March 2011)

Sales: ¥5,990 million ($72,169 thousand)

Monetary amounts of assets and liabilities being split off (as at March 31, 2011)

	Millions of Yen	Thousands of U.S. Dollars
Current assets	¥2,047	$24,663
Noncurrent assets	2,641	31,819
Total assets	¥4,689	$56,494
Current liabilities	¥1,958	$23,590
Noncurrent liabilities	459	5,530
Total liabilities	¥2,417	$29,120

Note: The monetary amounts of the assets and liabilities being split off are estimates based on the balance sheet at March 31, 2011. The monetary amounts of the assets and liabilities actually split off will differ due to fluctuations arising until the effective date. The above figures are rounded off to the nearest million.

3) About the share transfer

a. Number of shares being transferred, transfer amount, and share ownership status before and after the transfer

Number of shares owned before transfer

1 share (scheduled) (ownership ratio: 100%)

Number of shares being transferred

1 share (scheduled) (transfer value: ¥600 million [$7,229 thousand])

Number of shares owned after transfer

0 shares (ownership ratio: 0%)

b. Share transfer schedule

Board of Directors meeting to approve share transfer agreement

June 17, 2011 (Fri)

Date of signing of share transfer agreement

June 17, 2011 (Fri)

Date of debt waiver, share transfer settlement

October 1, 2011 (Sat) (scheduled)

4) Debt waiver granted to consolidated subsidiary

A debt waiver will be granted in relation to loans of approximately ¥7.5 billion ($90.4 million) (estimate) made by the Company to Casio Micronics.

5) Future outlook

As a result of this transaction, an extraordinary loss of approximately ¥1.9 billion ($22.9 million) is due to be recorded in the first quarter consolidated accounts of the fiscal year to March 2012. In addition, an extraordinary loss of approximately ¥1.9 billion ($22.9 million) is due to be recorded in the unconsolidated accounts of the fiscal year to March 2012.

Independent Auditors' Report

To the Board of Directors of CASIO COMPUTER CO., LTD.:

We have audited the accompanying consolidated balance sheets of CASIO COMPUTER CO., LTD. (the "Company") and consolidated subsidiaries as of March 31, 2011 and 2010, the related consolidated statements of operations and comprehensive income for the year ended March 31, 2011, consolidated statement of operations for the year ended March 2010, and consolidated statements of changes in net assets and cash flows for each of the years then ended expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and subsidiaries as of March 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in Japan.

Without qualifying our opinion, we draw attention to the following:
As discussed in Note 19 to the consolidated financial statements, the WLP-related business of the Company and its consolidated subsidiary of Casio Micronics Co., Ltd. would in each case be split off and transferred to Teramikros, Inc., which is to be newly established by the Company, that all shares in Teramikros would be transferred to Tera Probe, Inc. and a share transfer agreement was signed with Tera Probe on June 17, 2011.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA LLC

Tokyo, Japan
June 29, 2011

Principal Subsidiaries (As of March 31, 2011)

Overseas Subsidiaries

Europe

•*Casio Europe GmbH*
F.R. Germany
Sales of Casio products

•*Casio Electronics Co., Ltd.*
U.K.
Sales of Casio products

•*Casio France S.A.*
France
Sales of Casio products

•*Casio Benelux B.V.*
The Netherlands
Sales of Casio products

•*Casio Scandinavia AS*
Norway
Sales of Casio products

•*Casio Espana, S.L.*
Spain
Sales of Casio products

•*Limited Liability Company Casio*
Russia
Sales of Casio products

•*Casio Italia S.r.l.*
Italy
Sales of Casio products

Asia

•*Casio Computer (Hong Kong) Ltd.*
Hong Kong
Production of electronic calculators

•*Casio Taiwan Co., Ltd.*
Taiwan
Sales of Casio products

•*Casio Singapore Pte., Ltd.*
Singapore
Sales of Casio products

•*Casio India Co., Pvt. Ltd.*
India
Sales of electronic calculators and electronic timepieces

•*Casio Electronic Technology (Zhongshan) Co., Ltd.*
The People's Republic of China
Production of electronic calculators, electronic dictionaries and electronic musical instruments

•*Casio Electronics (Shenzhen) Co., Ltd.*
The People's Republic of China
Design and production of electronic timepieces

•*Casio (Guangzhou) Co., Ltd.*
The People's Republic of China
Sales of electronic timepieces

•*Casio (Thailand) Co., Ltd.*
Thailand
Production of electronic timepieces

•*Casio (Shanghai) Co., Ltd.*
The People's Republic of China
Sales of Casio products

Americas

•*Casio America, Inc.*
U.S.A.
Sales of Casio products

•*Casio Latin America, Inc.*
U.S.A.
Sales of Casio products

•*Casio Canada Ltd.*
Canada
Sales of Casio products

•*Casio Holdings, Inc.*
U.S.A.
Holding company

•*Casio Brasil Comercio de Produtos Eletronicos Ltda.*
Brazil
Sales of Casio products

•*Casio Mexico Marketing, S. de R. L. de C.V.*
Mexico
Sales of Casio products

Domestic Subsidiaries

•*Yamagata Casio Co., Ltd.*
Production of digital cameras and electronic timepieces

•*Casio Micronics Co., Ltd.*
Development, production and sales of electronic components

•*Casio Electronic Manufacturing Co., Ltd.*
Development and production of page printers

•*Kofu Casio Co., Ltd.*
Production of system equipments and LCDs

•*Casio Techno Co., Ltd.*
Customer service for Casio products

•*Casio Information Systems Co., Ltd.*
Sales of system equipment

•*CXD NEXT Co., Ltd.*
Electronic settlements and support services for retail stores utilizing Casio's electronic cash registers

•*Casio Human Systems Co., Ltd.*
Development, design and sales of software for system equipment

(45 consolidated subsidiaries and 5 equity-method affiliates)

Directors and Statutory Auditors (As of June 29, 2011)

*Corporate officers

President and CEO

Kazuo Kashio*

Executive Vice President and Representative Director

Yukio Kashio*

Senior Managing Director

Fumitsune Murakami*

Managing Directors

Akinori Takagi*
Hiroshi Nakamura*
Akira Kashio*

Directors

Tadashi Takasu*
Susumu Takashima*
Kouichi Takeichi*
Yuichi Masuda*
Kazuhiro Kashio

Outside Director

Hirokazu Ishikawa

Statutory Auditors

Takeshi Honda
Yasushi Terao
Hironori Daitoku

Corporate Officers

Osamu Ohno
Atsushi Yazawa
Nobuyuki Mochinaga
Koji Moriya
Hitoshi Nakamura
Tetsuo Kashio
Toshiharu Okimuro
Hideyuki Toyama
Tetsuro Izumi
Takashi Kashio
Jin Nakayama
Shin Takano
Toshiyuki Yamagishi
Makoto Kobayashi

Corporate Data (As of March 31, 2011)

Established: June 1957
Paid-in Capital: ¥48,592 million
Employees: 11,522
Home Page Address: http://world.casio.com/

Domestic Offices

Head Office
6-2, Hon-machi 1-chome,
Shibuya-ku, Tokyo 151-8543

IR Department
Tel: (03) 5334-4803

R&D Centers

Hamura Research & Development Center
2-1, Sakae-cho 3-chome
Hamura City, Tokyo 205-8555
Tel: (042) 579-7111

Hachioji Research & Development Center
2951-5, Ishikawa-cho,
Hachioji City, Tokyo 192-8556
Tel: (042) 639-5111

Overseas Offices

Casio America, Inc.
570 Mt. Pleasant Avenue,
Dover, New Jersey 07801,
United States
Tel: 973-361-5400

Casio Europe GmbH
Casio-Platz 1 22848
Norderstedt, F.R. Germany
Tel: 040-528-65-0

Investor Information (As of March 31, 2011)

Stock Exchange Listings
Tokyo

Transfer Agent
The Sumitomo Trust and Banking Co., Ltd.

Number of Shares
Authorized: 471,693,000 shares
Issued: 279,020,914 shares

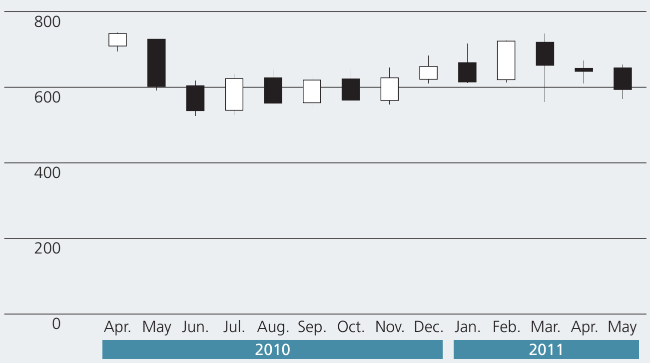
Number of Shareholders
56,250

Principal Shareholders

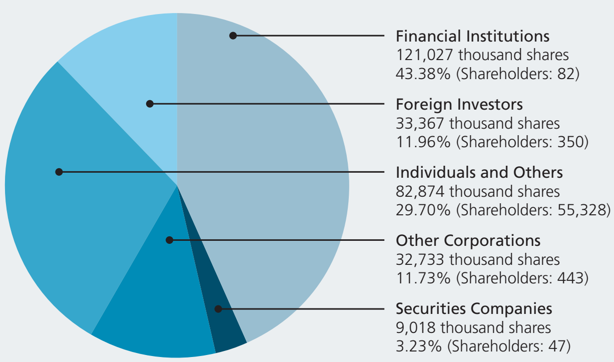
	Shareholdings (thousands)	% of outstanding share*
Japan Trustee Services Bank, Ltd. (Trust Account)	17,106	6.36
The Master Trust Bank of Japan, Ltd. (Trust Account)	15,940	5.93
Nippon Life Insurance Company	13,669	5.08
Casio Bros. Corp.	10,000	3.72
Japan Trustee Services Bank, Ltd. (The Sumitomo Trust and Banking Co., Ltd. Retrust Portion, Sumitomo Mitsui Banking Corp. Pension Trust Account)	9,865	3.67
Sumitomo Mitsui Banking Corp.	6,821	2.54
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	5,863	2.18
Japan Trustee Services Bank, Ltd. (Trust Account 9)	4,987	1.86
The Nomura Tsust and Banking Co., Ltd.	4,901	1.82
Toshio Kashio	4,362	1.62

* Outstanding shares are calculated after deduction of shares in treasury (10,166,355).

Share Price
(Yen)



Breakdown of Shareholders



CASIO COMPUTER CO., LTD.

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http://world.casio.com/

Printed in Japan