

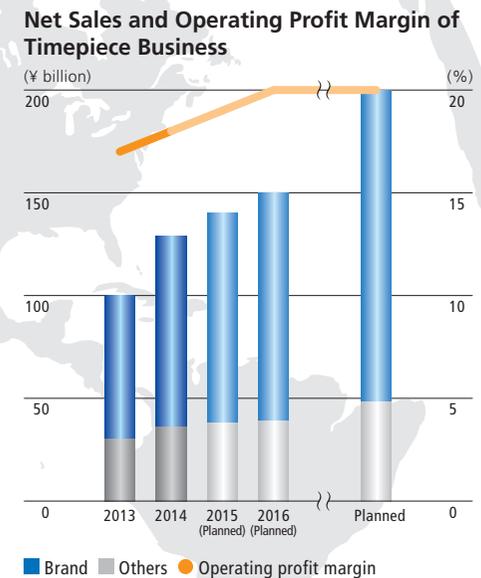
## Special Feature: 6 Timepiece Brands

# Strengthening Global 6 Brand Strategy to Grow Timepiece Business

Casio seeks to further grow sales in its timepiece business through creative product development and a strengthened global brand strategy. As mid-term targets, we aim to achieve net sales of ¥200 billion and operating profit margin of 20%. Casio's product lineup focuses on six distinctive brands: G-SHOCK, which adds value through a completely new level of shock resistance and is one of the most established watch brands; the BABY-G line of women's shock-resistant watches, which are popular for their rich color variations and enhanced functions; the metal analog watch EDIFICE, which is designed with a dynamic feel; the solar-powered radio wave-controlled watch OCEANUS, which combines advanced functionality with an European-style sporty design; the outdoor

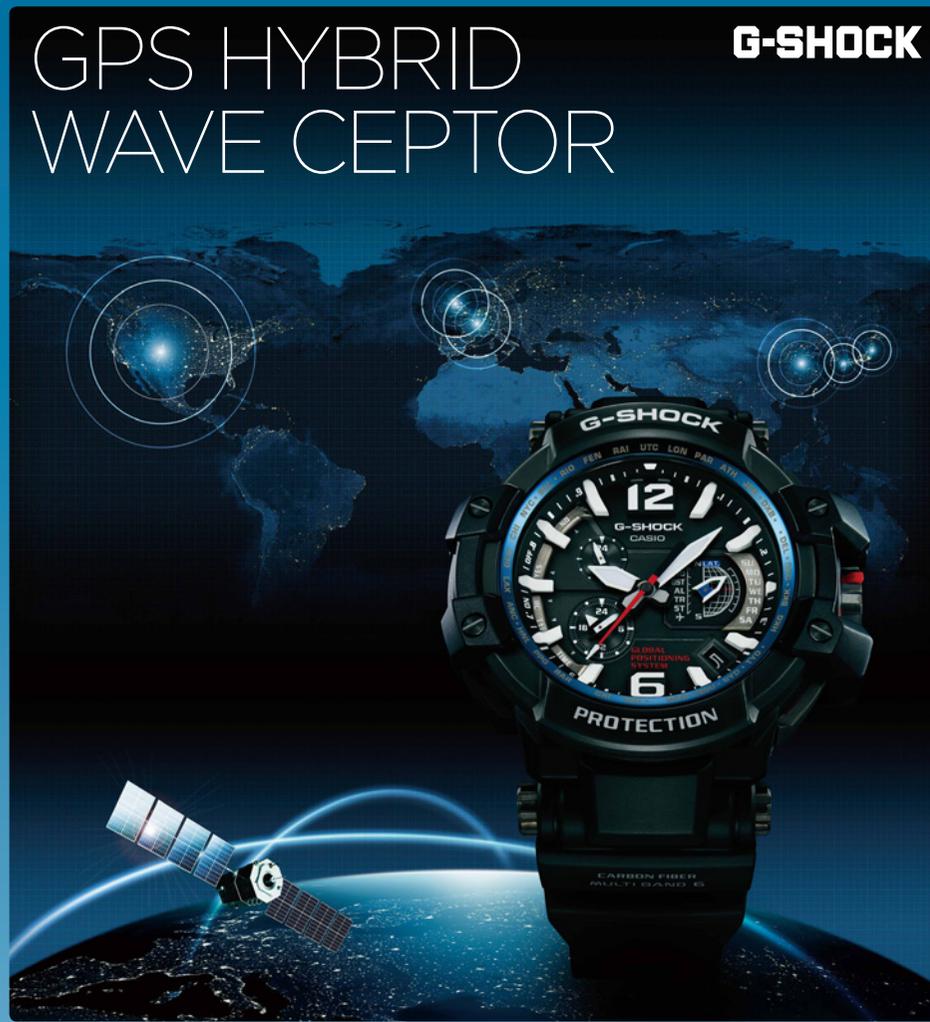
watch PRO TREK, which is equipped with various sensors including altimeter and compass; and the women's metal analog watch SHEEN. Casio aims to further increase sales and create high added value by enhancing its product offering based on these six brands, aggressively promoting them on a global basis. In particular, we will endeavor to expand sales and increase some unit prices by launching a new G-SHOCK model, a hybrid time-keeping system that receives both GPS signals and radio wave time-calibration signals, and a new EDIFICE model that can be connected to a smartphone. We will also conduct promotions to celebrate the 20th anniversaries of BABY-G and PRO TREK, together with the 10th anniversary of

the OCEANUS while globalizing marketing initiatives to increase brand penetration. Our retailing strategy will be to expand the number of G-FACTORY Casio watch stores to 1,000 around the world during the fiscal year ending March 31, 2016. We look to increase the number of shops handling our products in China's undeveloped interior and aim to boost the number of department stores and jewelers carrying our products in the United States. We will endeavor to build our brand and retail presence in ASEAN markets and the Middle East. In this manner, we will seek further growth through global expansion of our timepiece business.



## Special Feature: New Timepiece Products

# Strategy to Expand Timepiece Sales Leveraging Flagship Models



Casio commercialized the world's first hybrid time keeping system that receives both GPS signals and radio wave time-calibration signals. This is G-SHOCK, which opens new vistas in watches by combining advanced technology and shock resistance. This model can receive time-calibration signals from any of six transmission stations worldwide and receive position and time data transmissions from GPS satellites. While retaining the convenience and reliability of radio-controlled solar timepieces, this watch not only determines the local time zone but also determines whether it is on summer time when acquiring GPS satellite information, keeping accurate time anywhere around the world. In other words, you can get the precise time wherever you are with the press of a button. Combining GPS and radio control functions can conserve power because the watch is set to prioritize radio reception when that is available.

Casio is also launching EDIFICE, a Bluetooth® V4.0-enabled watch that links with smartphones.

With this feature, the wearer can use a smartphone app that simplifies setting



time in 300 cities around the world. Unusually for an analog watch, EDIFICE can also simultaneously display the differing times in two cities, making it ideal for globetrotting businesspeople.

Casio aims to leverage the introduction of such powerful, technologically advanced flagship models to boost unit prices and sales.

## Special Feature: CASIO Signage and CASIO ART

# Expanding Casio's Original New Businesses

### CASIO Signage



(English)



(Japanese)



Casio is endeavoring to expand new businesses as key sources of revenues and earnings.

The Company seeks to increase large orders for its CASIO Signage business. It will also introduce Art Clocks and expand painting contents in the digital painting business.

CASIO Signage is a store promotion tool that is far more attention-grabbing than conventional digital signage. This signage product employs characters who are shown as images on a panel that has been cut to a certain shape, and who "speak" to visitors to the store to catch their interest. CASIO Signage

can create audio content in different languages, thereby being able to "speak" to store visitors from overseas.

The system uses Casio's original projector technology to enable a sufficiently compact footprint for installing in a store. The product shows bright and sharp images and uses a light source that lasts as long as some 20,000 hours, making it suitable as a permanent store installation.

Furthermore, the user can link the system to a cloud service to flexibly create and change content according to the time zone and the store characteristics. For example, CASIO Signage can easily attract store visitors by conducting lotteries exclusively for visitors or by issuing coupons.

We have been negotiating CASIO Signage installations with several corporate clients. In

order to maximize the impact for companies that are introducing the signage, we have been promoting proposals that are focused on one company in each industry.

CASIO ART harnesses proprietary 3D technology to enable users to create 3D artworks. This product enhances expression through detailed indentations and provides a reality that is unique to 3D as a new way to enjoy paintings compared with conventional artwork. In June 2013, Casio started selling works with motifs featuring various characters. These offerings have proven popular. We also aim to sell CASIO ART as Art Clocks, boosting sales by leveraging existing time-piece retail channels.

Casio will ensure that it meets its V15 Plan targets by expanding such highly profitable new businesses.



### CASIO ART (Japanese only)



## Special Feature: Existing Businesses

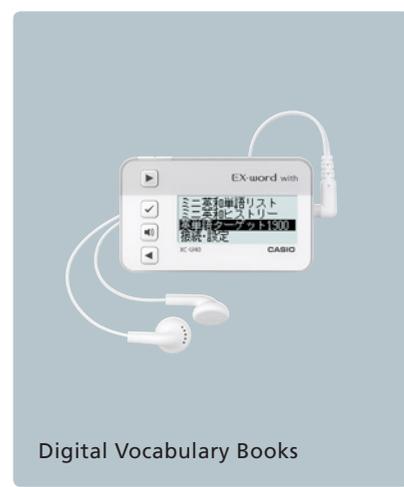
# Market Expansion through Products in Various Genres

Casio seeks to grow in the global marketplace by supplying products offering growth potential in various genres. In the electronic dictionary business, we look to increase sales of the "EX-word with" digital vocabulary book. Japan's junior high school and high school students can take advantage of the book's pronunciation feature and English vocabulary contents to aid rote word learning. Moreover, users can connect a digital vocabulary book and an electronic dictionary to transfer a browsing record and other information of their English words, in order to conduct repeated study. In

addition to junior high school and high school students, in the future Casio aims to expand the contents, targeting adult users. We will accelerate the overseas business development of our electronic dictionaries, cultivating sales in ASEAN markets as well as in China. We have already launched these products in Indonesia, where people are very enthusiastic about education. In the electronic calculator business, we will launch products overseas in English and local languages, broadening our lineup of scientific models. We will also localize general calculators that we will offer in cultivating

emerging markets. In the electronic musical instrument business, we enjoy favorable worldwide sales of digital pianos, and plan to introduce higher-end models. We also intend to commercialize products in new entertainment genres. In our projector business, we aim to differentiate our products in the field of ultra-short-focus models for the high-level needs in the education market. In addition to models that employ both laser and LED light sources to achieve a light source with an operating life of approximately 20,000 hours, we are proposing new styles of conducting lessons that

make use of projectors. By means of connecting a wide range of functions from a smart device, there are much less restrictions where the projector can be installed. Consequently, a lesson can be conducted while the projector is moved around the classroom. We aim to increase the number of projectors that will be introduced in the education field. Casio will bring out these and other unique products to expand sales and profitability.



Digital Vocabulary Books



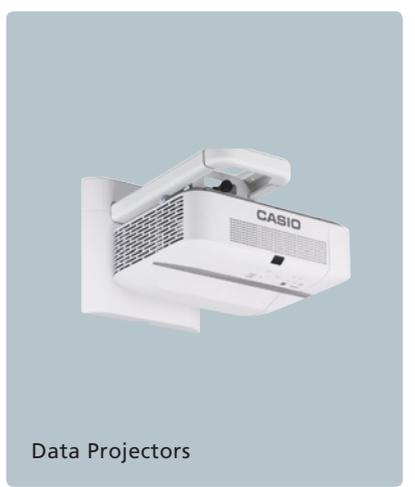
Electronic Dictionaries



Electronic Calculators



Electronic Musical Instruments



Data Projectors