

Consolidated Financial Results for the Nine Months Ended December 31, 2013 (Japan GAAP)

English Translation of *Kessan Tanshin*

(Summary for reference)

January 30, 2014

Company Name: **CASIO COMPUTER CO., LTD.**

(URL <http://casio.jp/>)

Stock Exchange Listings: Tokyo

Code Number: 6952

President and CEO: Kazuo Kashio

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Filing of Securities Report (*Shihanki Hokokusho*) (scheduled): February 14, 2014

Start of distribution of dividends (scheduled): -

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the quarter: Yes

(Monetary amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Nine Months (From April 1, 2013 to December 31, 2013)

(Millions of yen)

(1) Operating Results

(Percentages indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Nine months ended December 31, 2013	232,085	7.8	17,343	37.7	16,936	37.4	10,382	34.0
Nine months ended December 31, 2012	215,341	(2.4)	12,593	124.1	12,324	269.4	7,748	-

(Note) Comprehensive income: Nine months ended December 31, 2013: 19,248 million yen 96.6 %

Nine months ended December 31, 2012: 9,793 million yen - %

	Net income per share (Yen)	Diluted net income per share (Yen)
Nine months ended December 31, 2013	38.62	38.60
Nine months ended December 31, 2012	28.82	28.81

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio
As of December 31, 2013	374,141	175,144	46.8 %
As of March 31, 2013	369,322	163,968	44.4

(Reference) Equity: As of December 31, 2013: 175,040 million yen

As of March 31, 2013: 163,882 million yen

2. Dividends

	Dividends per share (Yen)				
	June 30	September 30	December 31	March 31	Total
Year ended March 31, 2013	-	-	-	20.00	20.00
Year ending March 31, 2014	-	10.00	-	-	-
Year ending March 31, 2014 (Forecast)	-	-	-	10.00	20.00

(Note) Revision of most recent dividends forecast: No

3. Consolidated Results Forecasts for Fiscal 2014 (From April 1, 2013 to March 31, 2014)

(Millions of yen)

(Percentages indicate changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	Yen
Fiscal 2014	322,000	8.1	26,000	29.7	24,000	21.8	13,500	13.7	50.22

(Note) Revision of most recent consolidated results forecasts: No

Notes

(1) Changes in significant subsidiaries (Changes in scope of consolidation): No

Newly included: -

Excluded: -

(2) Application of the special accounting methods to the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatements

(a) Changes in accounting policies due to revision of accounting standards: No

(b) Changes in accounting policies other than (a) above: No

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

(4) Number of shares outstanding (common stock)

(a) Number of shares outstanding (including treasury stock):

As of December 31, 2013: 279,020,914 shares

As of March 31, 2013: 279,020,914 shares

(b) Number of treasury stock:

As of December 31, 2013: 10,178,595 shares

As of March 31, 2013: 10,171,434 shares

(c) Average number of shares outstanding (cumulative for all quarters):

Nine months ended December 31, 2013: 268,846,664 shares

Nine months ended December 31, 2012: 268,852,031 shares

Statement on the Implementation Status of Quarterly Review Procedures

This report of quarterly consolidated financial results is outside the scope of review procedures based on Japan's Financial Instruments and Exchange Law. At the time of publication of this report, the company has not yet completed the review procedures of the quarterly financial statements based on the Financial Instruments and Exchange Law.

Proper Use of Business Results Forecasts and Other Notes

- The forward-looking statements contained in these materials, including business results forecasts, are based on information currently available to the company and on certain assumptions deemed to be reasonable, and are not intended to be construed as assurance that they will be accomplished in the future. Actual business results may differ substantially due to a number of factors. Please refer to Discussion of Forward-looking Statements, including Consolidated Results Forecasts on page 4 for the conditions that form the assumption for business results and cautions concerning the use of business results forecasts.
- The supplementary explanatory materials for the financial results are published on TDnet on January 30, 2014.

Qualitative Information for the First Three Quarters of the Current Fiscal Year

Discussion of Operating Results

During the third quarter of the current fiscal year, despite concerns over economic slowdown in emerging countries, positive signs appeared in corporate earnings and private consumption in Japan as a result of the Abenomics effect.

In this environment, consolidated net sales for the first three quarters of the current fiscal year rose 7.8% year-on-year to ¥232.0 billion. By segment, sales stood at ¥192.4 billion in the Consumer segment, ¥30.5 billion in the System Equipment segment, and ¥9.1 billion in the Others segment.

In the timepiece business, brands such as G-SHOCK and EDIFICE continued to perform well, primarily in overseas markets such as North America and China, and timepiece sales increased overall. In addition, sales of Baby-G and SHEEN brand watches for women expanded overseas. In the electronic dictionary business, sales of the EX-word series remained strong, and Casio maintained the top share in the Japanese market. In the electronic musical instrument business, sales of electronic pianos expanded steadily.

In income for the first three quarters, the Consumer segment posted ¥24.8 billion in operating income. The timepiece and electronic dictionary businesses maintained high profitability, and Casio secured profits in the digital camera business by specializing in unique high-end products. The System Equipment business recorded a ¥2.2 billion operating loss, and the Others segment posted an operating loss of ¥0.4 billion. As a result, Casio posted ¥17.3 billion in consolidated operating income, allowing for adjustment, an increase of 37.7% year-on-year. Casio recorded ¥16.9 billion in ordinary income, up 37.4% year-on-year, and ¥10.3 billion in net income for the first three quarters of the current fiscal year, up 34.0%.

Discussion of Financial Position

Total assets on a consolidated basis at the end of the third quarter of the current fiscal year stood at ¥374.1 billion, up ¥4.8 billion from the end of the previous fiscal year, owing to an increase in cash and deposits. Net assets increased ¥11.1 billion to ¥175.1 billion as a result of an increase in retained earnings, foreign currency translation adjustment and valuation difference on available-for-sale securities. As a result, the equity ratio improved to 46.8%, an increase of 2.4 points from the end of the previous fiscal year.

Discussion of Forward-looking Statements, including Consolidated Results Forecasts

There are currently no changes to the previous consolidated results forecasts for the fiscal year ending March 2014, which were published on November 6, 2013.

Casio will strive to boost its earning capacity and its management and financial structure based on a long-term perspective through a proactive global rollout of new products that draw on the company's globally unique technologies.

Notes concerning results forecasts

- 1) Exchange rates are estimated at US\$ 1 = ¥95 and Euro 1 = ¥130
- 2) The forward-looking statements including business results forecasts are based on information currently available to the company and on certain assumptions deemed to be reasonable. Actual business results may differ substantially due to a number of factors. Key factors affecting actual business results may include, but are not limited to, the economic circumstances surrounding the company's business, fluctuations in the exchange rates of major currencies including the yen-dollar rate, and significant changes in product prices.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Assets		
Current assets		
Cash and deposits	56,029	93,888
Notes and accounts receivable-trade	50,490	42,342
Securities	57,139	35,494
Finished goods	39,665	35,729
Work in process	5,573	4,546
Raw materials and supplies	8,877	8,873
Other	32,531	34,674
Allowance for doubtful accounts	(585)	(575)
Total current assets	<u>249,719</u>	<u>254,971</u>
Noncurrent assets		
Property, plant and equipment	64,381	64,057
Intangible assets	6,068	6,195
Investments and other assets		
Investment securities	30,401	32,793
Other	18,796	16,207
Allowance for doubtful accounts	(43)	(82)
Total investments and other assets	<u>49,154</u>	<u>48,918</u>
Total noncurrent assets	<u>119,603</u>	<u>119,170</u>
Total assets	<u>369,322</u>	<u>374,141</u>

(Millions of yen)

	As of March 31, 2013	As of December 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	35,709	28,939
Short-term loans payable	4,400	4,844
Current portion of long-term loans payable	25,000	15,000
Current portion of bonds	10,000	10,000
Income taxes payable	2,321	2,412
Provision for product warranties	790	771
Other	37,082	38,717
Total current liabilities	115,302	100,683
Noncurrent liabilities		
Bonds payable	21,278	22,543
Bonds with subscription rights to shares	250	250
Long-term loans payable	52,900	58,888
Provision for retirement benefits	2,700	2,718
Other	12,924	13,915
Total noncurrent liabilities	90,052	98,314
Total liabilities	205,354	198,997
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,703	65,703
Retained earnings	62,523	64,840
Treasury stock	(8,592)	(8,599)
Total shareholders' equity	168,226	170,536
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,624	7,708
Deferred gains or losses on hedges	(143)	(72)
Foreign currency translation adjustment	(7,825)	(3,132)
Total accumulated other comprehensive income	(4,344)	4,504
Minority interests	86	104
Total net assets	163,968	175,144
Total liabilities and net assets	369,322	374,141

Consolidated Income Statements

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Net sales	215,341	232,085
Cost of sales	131,795	136,338
Gross profit	<u>83,546</u>	<u>95,747</u>
Selling, general and administrative expenses		
Salaries, allowances and bonuses	23,347	24,877
Other	47,606	53,527
Total selling, general and administrative expenses	<u>70,953</u>	<u>78,404</u>
Operating income	<u>12,593</u>	<u>17,343</u>
Non-operating income		
Interest income	476	432
Dividends income	149	232
Other	357	353
Total non-operating income	<u>982</u>	<u>1,017</u>
Non-operating expenses		
Interest expenses	880	911
Other	371	513
Total non-operating expenses	<u>1,251</u>	<u>1,424</u>
Ordinary income	<u>12,324</u>	<u>16,936</u>
Extraordinary income		
Gain on sales of investment securities	-	414
Insurance income	409	-
Gain on revision of retirement benefit plan	385	-
Other	14	3
Total extraordinary income	<u>808</u>	<u>417</u>
Extraordinary loss		
Impairment loss	322	-
Loss on valuation of investment securities	799	-
Directors' retirement benefits	6	2,134
Other	98	148
Total extraordinary losses	<u>1,225</u>	<u>2,282</u>
Income before income taxes and minority interests	<u>11,907</u>	<u>15,071</u>
Income taxes	4,070	4,671
Income before minority interests	<u>7,837</u>	<u>10,400</u>
Minority interests in income	89	18
Net income	<u>7,748</u>	<u>10,382</u>

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2012	Nine months ended December 31, 2013
Income before minority interests	7,837	10,400
Other comprehensive income		
Valuation difference on available-for-sale securities	546	4,084
Deferred gains or losses on hedges	71	71
Foreign currency translation adjustment	1,339	4,693
Share of other comprehensive income of associates accounted for using equity method	(0)	(0)
Total other comprehensive income	1,956	8,848
Comprehensive income	9,793	19,248
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	9,705	19,230
Comprehensive income attributable to minority interests	88	18

Notes to Quarterly Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Segment Information)

I Nine months ended December 31, 2012

Information on Net sales and Income or Loss for Each Reportable Segment (Millions of yen)

	Reportable segments				Adjustments *1	Consolidated income statement *2
	Consumer	System equipment	Others	Total		
Net sales						
(1) Outside customers	163,935	29,328	22,078	215,341	-	215,341
(2) Inside group	1	57	2,115	2,173	(2,173)	-
Total	163,936	29,385	24,193	217,514	(2,173)	215,341
Segment income (loss)	17,603	(1,034)	(243)	16,326	(3,733)	12,593

Notes: 1. The (3,733) million yen adjustment to segment income or loss includes corporate expenses of (3,733) million yen that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not subject to any reportable segments.

2. Segment income or loss is reconciled with operating income on the quarterly consolidated income statement.

II Nine months ended December 31, 2013

Information on Net sales and Income or Loss for Each Reportable Segment (Millions of yen)

	Reportable segments				Adjustments *1	Consolidated income statement *2
	Consumer	System equipment	Others	Total		
Net sales						
(1) Outside customers	192,404	30,551	9,130	232,085	-	232,085
(2) Inside group	2	48	2,984	3,034	(3,034)	-
Total	192,406	30,599	12,114	235,119	(3,034)	232,085
Segment income (loss)	24,826	(2,257)	(479)	22,090	(4,747)	17,343

Notes: 1. The (4,747) million yen adjustment to segment income or loss includes corporate expenses of (4,747) million yen that are not allocated to any reportable segments. Corporate expenses principally consist of administrative expenses of the parent company and R&D expenses for fundamental research, which are not subject to any reportable segments.

2. Segment income or loss is reconciled with operating income on the quarterly consolidated income statement.