

Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 (Japan GAAP)

English Translation of *Kessan Tanshin*

(Summary for reference)

May 10, 2017

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

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

Stock Exchange Listings: Tokyo

Code Number: 6952

President and COO: Kazuhiro Kashio

Inquiries: Akinori Takagi, Senior Executive Managing Officer

Tel: (03) 5334-4852

Annual shareholders' meeting (scheduled): June 29, 2017

Start of distribution of dividends (scheduled): June 30, 2017

Filing of Securities Report (*Yuka Shoken Hokokusho*) (scheduled): June 29, 2017

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the year: Yes

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

1. Consolidated Financial Results for the year ended March 31, 2017 (From April 1, 2016 to March 31, 2017)

(Millions of yen)

(1) Operating Results

(Percentages indicate changes compared to the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
		%		%		%		%
Year ended March 31, 2017	321,213	(8.8)	30,636	(27.3)	26,239	(36.1)	18,410	(41.0)
Year ended March 31, 2016	352,258	4.1	42,169	14.7	41,069	8.5	31,194	18.2

(Note) Comprehensive income: Year ended March 31, 2017: 20,095 million yen 7.4 %
Year ended March 31, 2016: 18,703 million yen (51.6) %

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)	Profit/Equity	Ordinary profit/Total assets	Operating profit/Net sales
Year ended March 31, 2017	72.67	71.28	9.2 %	7.3 %	9.5 %
Year ended March 31, 2016	119.72	117.50	15.4	11.1	12.0

(Reference) Share of profit of entities accounted for using equity method: Year ended March 31, 2017: 15 million yen
Year ended March 31, 2016: 53 million yen

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of March 31, 2017	351,452	196,332	55.9 %	797.03
As of March 31, 2016	368,454	202,111	54.9	788.47

(Reference) Equity: As of March 31, 2017: 196,332 million yen
As of March 31, 2016: 202,111 million yen

(3) Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended March 31, 2017	27,920	(3,255)	(30,933)	118,755
Year ended March 31, 2016	32,710	8,159	(21,673)	128,057

2. Dividends

	Dividends per share (Yen)					Total dividends payment (Millions of yen)	Payout ratio (Consolidated)	Dividends/ Net assets (Consolidated)
	June 30	September 30	December 31	March 31	Total			
Year ended March 31, 2016	-	17.50	-	22.50	40.00	10,341	% 33.4	% 5.1
Year ended March 31, 2017	-	20.00	-	20.00	40.00	10,053	55.0	5.0
Year ending March 31, 2018 (Forecast)	-	20.00	-	20.00	40.00		43.8	

3. Consolidated Results Forecasts for Fiscal 2018 (From April 1, 2017 to March 31, 2018)

(Millions of yen)

(Percentages indicate changes compared to the corresponding periods of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
First Half	160,000	2.1	14,500	7.6	13,500	64.1	9,500	48.7	38.57
Fiscal 2018	350,000	9.0	34,000	11.0	32,000	22.0	22,500	22.2	91.34

Notes

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

Newly included: -

Excluded: -

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

(a) Changes in accounting policies due to revision of accounting standards: Yes

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

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

(3) Number of shares outstanding (common shares)

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

As of March 31, 2017: 259,020,914 shares

As of March 31, 2016: 269,020,914 shares

(b) Number of treasury shares:

As of March 31, 2017: 12,691,770 shares

As of March 31, 2016: 12,688,923 shares

(c) Average number of shares outstanding

Year ended March 31, 2017: 253,317,787 shares

Year ended March 31, 2016: 260,566,288 shares

This report of consolidated financial results is outside the scope of audit.

Proper Use of Business Results Forecasts and Other Notes

(Caution Concerning Forward-looking Statements)

- 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.
- The supplementary explanatory materials for the financial results are published on the company's official website on May 10, 2017.

ATTACHED MATERIALS

Consolidated Financial Statements and Notes

(1)	Consolidated Balance Sheets	4
(2)	Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	6
	Consolidated Statements of Income	6
	Consolidated Statements of Comprehensive Income	7
(3)	Consolidated Statements of Changes in Net Assets	8
(4)	Consolidated Statements of Cash Flows	10
(5)	Notes to Consolidated Financial Statements	11
	Notes on Premise of Going Concern	11
	Segment Information.....	11

Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2016	As of March 31, 2017
Assets		
Current assets		
Cash and deposits	66,648	55,197
Notes and accounts receivable-trade	47,843	47,725
Securities	55,600	43,920
Finished goods	43,082	38,352
Work in process	6,943	5,606
Raw materials and supplies	7,751	8,300
Deferred tax assets	6,732	6,155
Short-term loans receivable with resale agreement	6,154	20,000
Other	9,985	8,740
Allowance for doubtful accounts	(501)	(548)
Total current assets	250,237	233,447
Non-current assets		
Property, plant and equipment		
Buildings and structures	60,097	58,239
Accumulated depreciation	(43,213)	(42,666)
Buildings and structures, net	16,884	15,573
Machinery, equipment and vehicles	14,057	14,218
Accumulated depreciation	(11,042)	(11,552)
Machinery, equipment and vehicles, net	3,015	2,666
Tools, furniture and fixtures	35,484	35,285
Accumulated depreciation	(31,857)	(32,219)
Tools, furniture and fixtures, net	3,627	3,066
Land	36,091	34,090
Leased assets	3,050	3,022
Accumulated depreciation	(2,041)	(1,934)
Leased assets, net	1,009	1,088
Construction in progress	256	308
Total property, plant and equipment	60,882	56,791
Intangible assets	6,309	6,784
Investments and other assets		
Investment securities	34,407	35,153
Net defined benefit asset	9,113	13,122
Deferred tax assets	4,644	3,227
Other	2,933	2,995
Allowance for doubtful accounts	(71)	(67)
Total investments and other assets	51,026	54,430
Total non-current assets	118,217	118,005
Total assets	368,454	351,452

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable-trade	34,542	31,751
Short-term loans payable	260	155
Current portion of long-term loans payable	-	2,000
Accounts payable-other	21,483	19,079
Accrued expenses	13,045	12,357
Income taxes payable	4,334	2,593
Provision for product warranties	779	772
Provision for business structure improvement	-	631
Other	5,125	6,157
Total current liabilities	79,568	75,495
Non-current liabilities		
Bonds with subscription rights to shares	10,033	10,023
Long-term loans payable	67,000	61,000
Deferred tax liabilities	1,441	1,628
Provision for business structure improvement	-	784
Net defined benefit liability	1,338	491
Other	6,963	5,699
Total non-current liabilities	86,775	79,625
Total liabilities	166,343	155,120
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,058	65,058
Retained earnings	100,041	92,228
Treasury shares	(20,291)	(19,942)
Total shareholders' equity	193,400	185,936
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,781	9,138
Foreign currency translation adjustment	(1,844)	(3,573)
Remeasurements of defined benefit plans	2,774	4,831
Total accumulated other comprehensive income	8,711	10,396
Total net assets	202,111	196,332
Total liabilities and net assets	368,454	351,452

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
Net sales	352,258	321,213
Cost of sales	199,251	187,755
Gross profit	153,007	133,458
Selling, general and administrative expenses	110,838	102,822
Operating profit	42,169	30,636
Non-operating income		
Interest income	533	434
Dividend income	612	486
Other	308	321
Total non-operating income	1,453	1,241
Non-operating expenses		
Interest expenses	442	407
Foreign exchange losses	1,681	4,869
Other	430	362
Total non-operating expenses	2,553	5,638
Ordinary profit	41,069	26,239
Extraordinary income		
Gain on sales of non-current assets	22	909
Gain on sales of investment securities	1,313	426
Gain on transfer of business	-	500
Total extraordinary income	1,335	1,835
Extraordinary losses		
Loss on retirement of non-current assets	488	114
Impairment loss	1,047	19
Loss on sales of investment securities	205	-
Business structure improvement expenses	-	4,469
Other	-	17
Total extraordinary losses	1,740	4,619
Profit before income taxes	40,664	23,455
Income taxes-current	6,940	4,450
Income taxes-deferred	2,530	595
Total income taxes	9,470	5,045
Profit	31,194	18,410
Profit attributable to owners of parent	31,194	18,410

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
Profit	31,194	18,410
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,611)	1,357
Foreign currency translation adjustment	(4,466)	(1,729)
Remeasurements of defined benefit plans	(4,414)	2,057
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	(12,491)	1,685
Comprehensive income	18,703	20,095
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,703	20,095
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2016

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,058	79,301	(9,995)	182,956
Changes of items during period					
Dividends of surplus			(10,454)		(10,454)
Profit attributable to owners of parent			31,194		31,194
Purchase of treasury shares				(10,297)	(10,297)
Disposal of treasury shares		0		1	1
Retirement of treasury shares		-	-	-	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	20,740	(10,296)	10,444
Balance at end of current period	48,592	65,058	100,041	(20,291)	193,400

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	11,392	2,622	7,188	21,202	204,158
Changes of items during period					
Dividends of surplus					(10,454)
Profit attributable to owners of parent					31,194
Purchase of treasury shares					(10,297)
Disposal of treasury shares					1
Retirement of treasury shares					-
Net changes of items other than shareholders' equity	(3,611)	(4,466)	(4,414)	(12,491)	(12,491)
Total changes of items during period	(3,611)	(4,466)	(4,414)	(12,491)	(2,047)
Balance at end of current period	7,781	(1,844)	2,774	8,711	202,111

Year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	48,592	65,058	100,041	(20,291)	193,400
Changes of items during period					
Dividends of surplus			(10,894)		(10,894)
Profit attributable to owners of parent			18,410		18,410
Purchase of treasury shares				(14,980)	(14,980)
Disposal of treasury shares		0		0	0
Retirement of treasury shares		(0)	(15,329)	15,329	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(0)	(7,813)	349	(7,464)
Balance at end of current period	48,592	65,058	92,228	(19,942)	185,936

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	7,781	(1,844)	2,774	8,711	202,111
Changes of items during period					
Dividends of surplus					(10,894)
Profit attributable to owners of parent					18,410
Purchase of treasury shares					(14,980)
Disposal of treasury shares					0
Retirement of treasury shares					-
Net changes of items other than shareholders' equity	1,357	(1,729)	2,057	1,685	1,685
Total changes of items during period	1,357	(1,729)	2,057	1,685	(5,779)
Balance at end of current period	9,138	(3,573)	4,831	10,396	196,332

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2016	Year ended March 31, 2017
Cash flows from operating activities		
Profit before income taxes	40,664	23,455
Depreciation	9,708	9,741
Impairment loss	1,047	19
Loss (gain) on sales and retirement of non-current assets	466	(795)
Loss (gain) on sales of investment securities	(1,108)	(426)
Increase (decrease) in net defined benefit liability	196	(828)
Interest and dividend income	(1,145)	(920)
Interest expenses	442	407
Foreign exchange losses (gains)	(1,450)	1,309
Share of (profit) loss of entities accounted for using equity method	(53)	(15)
Loss (gain) on transfer of business	-	(500)
Decrease (increase) in notes and accounts receivable-trade	(2,690)	164
Decrease (increase) in inventories	(3,750)	4,157
Increase (decrease) in notes and accounts payable-trade	(61)	(2,456)
Decrease/increase in consumption taxes receivable/payable	(1,081)	1,156
Other, net	(3,816)	(82)
Subtotal	37,369	34,386
Interest and dividend income received	1,164	897
Interest expenses paid	(445)	(412)
Income taxes paid	(5,378)	(6,951)
Net cash provided by (used in) operating activities	32,710	27,920
Cash flows from investing activities		
Payments into time deposits	(433)	(1,438)
Proceeds from withdrawal of time deposits	983	1,439
Purchase of property, plant and equipment	(6,430)	(4,815)
Proceeds from sales of property, plant and equipment	81	3,564
Purchase of intangible assets	(3,916)	(4,148)
Purchase of investment securities	(87)	(23)
Proceeds from sales and redemption of investment securities	18,014	1,816
Purchase of shares of subsidiaries and associates	-	(180)
Proceeds from transfer of business	-	500
Other, net	(53)	30
Net cash provided by (used in) investing activities	8,159	(3,255)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	9	(105)
Proceeds from long-term loans payable	23,000	21,500
Repayments of long-term loans payable	(23,000)	(25,500)
Purchase of treasury shares	(10,297)	(14,980)
Proceeds from sales of treasury shares	1	0
Repayments of finance lease obligations	(932)	(954)
Cash dividends paid	(10,454)	(10,894)
Net cash provided by (used in) financing activities	(21,673)	(30,933)
Effect of exchange rate change on cash and cash equivalents	(1,876)	(3,034)
Net increase (decrease) in cash and cash equivalents	17,320	(9,302)
Cash and cash equivalents at beginning of period	110,737	128,057
Cash and cash equivalents at end of period	128,057	118,755

(5) Notes to Consolidated Financial Statements

Notes on Premise of Going Concern

Not applicable.

Segment Information

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, etc.
- System Equipment ... Handheld terminals, Electronic cash registers, Office computers, Page printers, Data projectors, etc.
- Others Molds, etc.

2. Information on Net Sales, Profit or Loss, Assets and Others for Each Reportable Segment

Year ended March 31, 2016

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	300,956	42,669	8,633	352,258	-	352,258
(2) Intersegment	2	49	8,788	8,839	(8,839)	-
Total	300,958	42,718	17,421	361,097	(8,839)	352,258
Segment profit (loss)	48,981	(1,825)	(114)	47,042	(4,873)	42,169
Segment assets	189,995	45,219	19,809	255,023	113,431	368,454
Others						
Depreciation	6,684	2,308	442	9,434	274	9,708
Amortization of goodwill	-	11	-	11	-	11
Investment to entities accounted for using equity method	-	-	2,510	2,510	-	2,510
Increase in property, plant and equipment and intangible assets	7,178	2,979	274	10,431	454	10,885

Notes: 1. Adjustments are as shown below:

- (1) The 4,873 million yen downward adjustment to segment profit (loss) includes corporate expenses of 4,873 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 attributable to any reportable segments.
 - (2) The 113,431 million yen adjustment to segment assets includes corporate assets of 113,886 million yen that are not allocated to any reportable segments.
 - (3) The 274 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
 - (4) The 454 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to any reportable segments.
2. Segment profit (loss) is reconciled with operating profit in the consolidated financial statements.

Year ended March 31, 2017

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	272,804	39,734	8,675	321,213	-	321,213
(2) Intersegment	1	29	6,888	6,918	(6,918)	-
Total	272,805	39,763	15,563	328,131	(6,918)	321,213
Segment profit (loss)	37,194	(2,224)	335	35,305	(4,669)	30,636
Segment assets	190,178	40,744	19,985	250,907	100,545	351,452
Others						
Depreciation	7,044	1,957	421	9,422	319	9,741
Amortization of goodwill	28	11	-	39	-	39
Investment to entities accounted for using equity method	-	-	2,701	2,701	-	2,701
Increase in property, plant and equipment and intangible assets	7,561	2,208	174	9,943	177	10,120

Notes: 1. Adjustments are as shown below:

- (1) The 4,669 million yen downward adjustment to segment profit (loss) includes corporate expenses of 4,669 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 attributable to any reportable segments.
 - (2) The 100,545 million yen adjustment to segment assets includes corporate assets of 101,134 million yen that are not allocated to any reportable segments.
 - (3) The 319 million yen adjustment to depreciation consists of depreciation for assets related to administrative divisions that are not attributable to any reportable segments.
 - (4) The 177 million yen adjustment to the increase in property, plant and equipment and intangible assets consists of capital expenditures in administrative divisions that are not attributable to any reportable segments.
2. Segment profit (loss) is reconciled with operating profit in the consolidated financial statements.