

# Consumer Segment

Millions of yen

|                  | 2016/3  | 2017/3  | 2018/3  |
|------------------|---------|---------|---------|
| Net sales        | 300,956 | 272,804 | 268,905 |
| Operating income | 48,981  | 37,194  | 35,028  |

Net sales for FY2018 for the Consumer segment were 268.9 billion yen (down 1.4% YoY) and segment income was 35.0 billion yen (down 5.8% YoY). Timepieces remained highly profitable on favorable sales of highly profitable products. Calculators secured profitability on favorable sales of scientific calculators overseas. Digital cameras resulted in increased losses on having recorded expenses incidental to our withdrawal from the compact digital camera market.

### Timepiece Business

Net sales remained firm on the effect of marketing to promote the 35th anniversary of the G-SHOCK. The mid-priced G-STEEL performed particularly well year-round and drove growth for the entire business.

### Education Business

Net sales of scientific calculators for students remained favorable thanks to new market development and initiatives to respond flexibly to changes in student classes and testing. For musical instruments, we established a base for improving profitability by implementing business structure reforms such as strengthening our in-house manufacturing structure, optimizing our product line, and developing new sound sources.

### Digital Cameras Business

After careful review of future growth potential amid dramatic market shrinkage for the compact camera market, we decided to withdraw from this business. Coincidental to this decision, we recorded extraordinary losses.



## TOPICS

### Timepiece Business

### SHOCK THE WORLD Marketing for Global Fan Development

We launched SHOCK THE WORLD in New York in 2008 as a campaign to commemorate the 25th anniversary of G-SHOCK and promote the G-SHOCK brand image in cities around the world. This event series is unique for featuring product displays as well as development story presentations and performances by major performers from various fields such as art, fashion, sports, and music to convey the appeal of G-SHOCK and introduce the G-SHOCK world to users. These events serve a vital role in brand marketing and help create new value by promoting bidirectional communication through interaction with fans. Representing a unified effort between media, logistics, and manufacturing, through these activities we share the G-SHOCK perspective with fans around the world. We will achieve innovation in new markets and propose new value in emerging markets.



G-SHOCK 35th Anniversary World Premier in NY SHOCK THE WORLD

2018 marked 10 years since the first SHOCK THE WORLD event, which since then has been held in over 70 cities around the world. We will continue to evolve content and meet the expectations of our fans.

### Education Business

### Supporting Student Learning Through GAKUHAN

Our initiatives in the education business include providing education support products and systems. Beyond simply providing products, we must also contribute to improving the learning potential of students.

To achieve this, it is vital that we be experts in the educational policies, styles, and content of each country, and conduct activities in partnership with educational institutions. Overseas, GAKUHAN is the name we use to refer to business activities in the educational field. We offer customized products and course proposals based on local curriculum and educational environments, and create strong networks with local education ministries, school affiliates, and teachers to promote business activities.



Conducting a class using scientific calculators

Through curriculum-specific textbook development, teacher training, various workshops, and other initiatives beyond one-off product sales, we are operating with a long-term perspective that promotes smooth use in classrooms and for tests. We also are strengthening partnerships with local related institutions to improve student mathematics skills. These grassroots activities do not produce immediate results but we are making solid progress, particularly in emerging economy markets.

## System Equipment Segment

|                         | 2016/3  | 2017/3  | 2018/3        |
|-------------------------|---------|---------|---------------|
| Net sales               | 42,669  | 39,734  | <b>38,302</b> |
| Operating income (loss) | (1,825) | (2,224) | <b>583</b>    |

Millions of yen

Net sales for FY2018 declined to 38.3 billion yen (down 3.6% YoY) due to our withdrawal from the printer business, among other factors. Segment income was 0.5 billion yen (the previous fiscal year saw operating losses of 2.2 billion yen). We established a stable revenue platform by making significant improvements to previously unprofitable businesses to record an operating profit.



### TOPICS

#### All Elementary and Middle Schools in Kawanishi, Hyogo Adopting Casio Projectors

In December 2017, 24 schools in the city of Kawanishi, Hyogo (16 public elementary schools, seven middle schools, and one special needs school) decided to install a total of 373 of Casio's mercury-free XJ-F100W projectors.

The city of Kawanishi previously installed projectors in some classrooms but they decided to install projectors in all classrooms to promote more effective utilization. Basing model selection on a presumption of long-term use, the school board chose Casio's XJ-100W for the total cost performance achieved through laser and LED hybrid light sources and the low-maintenance achieved by a long-lasting light source boasting 20,000 hours of operation and a dust-proof structure.

Casio will proactively support educational institutions adopting ICT equipment and, through the promotion of our mercury-free projectors, promote environmental load reduction by offering mercury-free, power-saving products.



XJ-F100W

## New Businesses

### 2.5D printing systems quickly showing sales growth and profit contributions as a new core business

#### • Expanding Global Business Scope

- Major business expansion by offering solutions in printing systems and digital sheets
- Promote further development of digital sheets

#### Providing 2.5D Print System

Mofrel (DA-1000TD) is a 2.5D print system that supports accurate management decisions during product development by expressing the textures and decorations of various materials such as leather and cloth on dedicated digital sheets\*. Since May, this system has been adopted by companies such as Denso, Sincol, and Panasonic Eco Solutions.

Panasonic Eco Solutions conducts the development, manufacturing, and sales of housing lighting equipment, fixtures, building materials and solar power generation systems, to offer comfortable living environments for people around the world. As a company that pursues customer-oriented design thinking, Panasonic Eco Solutions recognized the 2.5D print system as a speedy solution for applications including giving form to their ideas and expressing material textures and exteriors with uneven surfaces. The company plans to use the 2.5D print system as a tool for sample creation and R&D.

Casio will continue to support design innovation in the product development process in the automotive industry, construction, apparel, and a variety of fields.

\* A dedicated sheet for 2.5D print systems consisting of a base layer, a bump layer, an inkjet layer, and a microfilm layer.



DA-1000TD



Output example