

Message from the CEO



What makes Casio's existence valuable is continuously creating things our users cherish more than anything. With this, we will work to realize its medium- to long-term management strategy aimed at maximizing corporate value.

And as we work on fundamental reforms that will dispel all concerns, we will do our utmost to achieve our clear and well-defined dream.

In doing so, Casio will continue to contribute to people and society well into the future.

KASHIO Kazuhiro

Representative Director,
President and CEO

While the results of structural reforms shone through in the fiscal year ended March 31, 2022, fundamental issues also emerged

To date, we have been working to reform our businesses, jobs, and work styles in anticipation of a post-pandemic society, formulating growth strategies and promoting structural reforms toward this new era.

In the fiscal year ended March 31, 2022, we promoted our strategy based on these reforms, and our business performance remained strong, mainly in our core businesses of Timepieces, Education, and Electronic Musical Instruments. Although the full-year results showed an increase in sales and profit compared to the previous fiscal year, due to the impact of rapid changes in the business environment since the fourth quarter, figures fell short of those announced at the beginning of the fiscal year, highlighting the problems for Casio.

Specific achievements include initiatives aimed at building connections with individual users against the backdrop of strong product and business strategies. In the Timepiece Business, we leveraged the strengths of our G-SHOCK brand to increase the number of loyal customers and develop new users. In the Education Business, we

captured the demand for face-to-face classes which started once again, and the software business also progressed well.

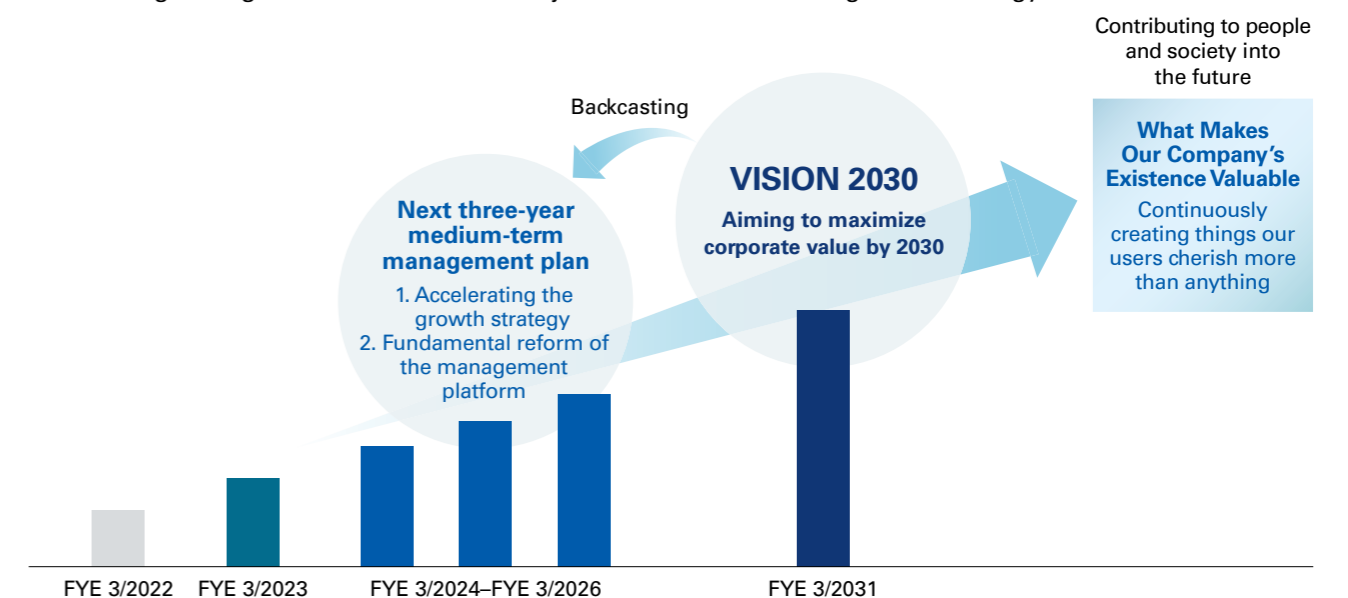
Issues emerged for Casio in terms of the System Equipment Business, new businesses, and business operations. Our recovery was delayed in the System Equipment Business, and the launch of new businesses did not progress as planned. In terms of business operations, the lockdown in China in the fourth quarter caused shipments to stop, sluggish demand, and soaring raw material and distribution costs which directly impacted our operations. This brought with it issues such as a squeeze on profits and resilience to changes in the external environment.

It certainly has been a year in which both the achievements of reforms we have made and the fundamental challenges we must face have come into sharp relief, and so we take these results very seriously.

Maximizing corporate value by the fiscal year ending March 31, 2031 through the New CASIO C30 Project

An analysis of the business environment in 2030 envisages

Backcasting through the New Casio C30 Project to formulate a management strategy



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drastic changes in world affairs, the transition to a sustainable society, the progress of digitalization, and changes in the demographic structure and balance of power in consumption. Based on this environmental outlook and current issues, Casio is promoting the New CASIO C30 Project with the aim of maximizing corporate value by the fiscal year ending March 31, 2031.

For the entire Company to work together to achieve reforms, not only must we clarify the dream we want to achieve based on our philosophy of "Creativity and Contribution," but we must also undertake fundamental reforms to address all concerns. With this project, we are working to set our goal for the fiscal year ending March 31, 2031 (VISION 2030) and will backcast to formulate a medium- to long-term strategy based on the values we hold dear (namely, the 5Cs of Creation, Contribution, Challenge, Change, and Collaboration) and on what makes

Casio's existence valuable, which is continuously creating things our users cherish more than anything. Under the two themes of accelerating our medium- to long-term growth strategy to maximize strengths, and a fundamental reform of the management platform to realize our growth strategy, we will make dynamic investments and allocate resources from a medium- to long-term perspective, while at the same time working to strengthen our management platform to further enhance our ability to take effective action in the workplace.

Accelerating medium- to long-term growth strategy to maximize strengths

Accelerating growth in core businesses

We will aim to expand the scale and scope of our businesses by transforming the businesses of Timepieces,

Education, and Electronic Musical Instruments into businesses that adapt to a new age. These businesses possess a competitive advantage and solid business foundation that other companies do not have, and as such, we will change to a recurring-type business model that continues to provide the best products and experiences to every user when they need them.

With our aim to have every user enjoy their G-SHOCK product in many different situations, the Timepiece Business will transform into a recurring business model with our G-SHOCK fans as the platform through one-to-one marketing and expanding the scope of the G-SHOCK brand. The brand is growing with a vast product lineup, for example, it is strengthening its premium lines, working to develop the young and female segments, and expanding in the sports and health markets. By developing G-SHOCK products that fit with people's changing life stages and continuously providing value, we will go on to maintain a deep and lasting connection with each and every user.

In the Education Business, we aim to continue growth in the hardware business and establish a unique position in the software business in order to provide the best support for each individual's learning in a timely manner. Demands are deep-rooted in the hardware business, also in the education environment where digitalization is rapidly progressing, so we will not only continue to introduce the best models tailored to schools, teachers, and students in each country and region, but also enhance our greatest strength, which is our network of teachers who recommend our products (GAKUHAN). In the software business, we will focus on the development of the comprehensive learning platform ClassPad.net, which is steadily growing.

And in the Electronic Musical Instruments Business, we aim to provide the best in terms of enjoyment for each and every user. To create further demand, we will provide an environment where every user around the world can enjoy their favorite songs in any place with the CASIO MUSIC SPACE app and by strengthening our lineup of the Slim & Smart series, which has been widely received in the market.

Restructuring of problem businesses

In the System Equipment and new businesses, we will select and concentrate on areas where growth and progress can be made, transforming them into growth

businesses through strong growth strategies and diversified investments. We will identify needs and market potential, pursue the business models that will help bring commercialization and growth, and build the best relationships of collaboration. When making investment decisions, as well as setting upper investment limits, we will clarify the stage gate process and key performance indicators (KPIs) to establish a framework for promoting commercialization along with strict controls, such as adding budgets and personnel to clear each stage of the gate process. The significance of our new businesses, which is to utilize Casio's strengths and technologies in new areas, remains unchanged. We will work to gradually build on every stage to create new markets and contribute to early commercialization and earnings.

Fundamental reform of management platform to realize growth strategy

To accelerate these growth strategies, we need to strengthen our resilience to flexibly adapt to changes in the external environment. Based on what we learned in the fiscal year ended March 31, 2022, we will fundamentally reform our management platform from the perspective of how we operate our business and how we deliver the value we provide to users, while accelerating DX.

Rebuilding the value chain

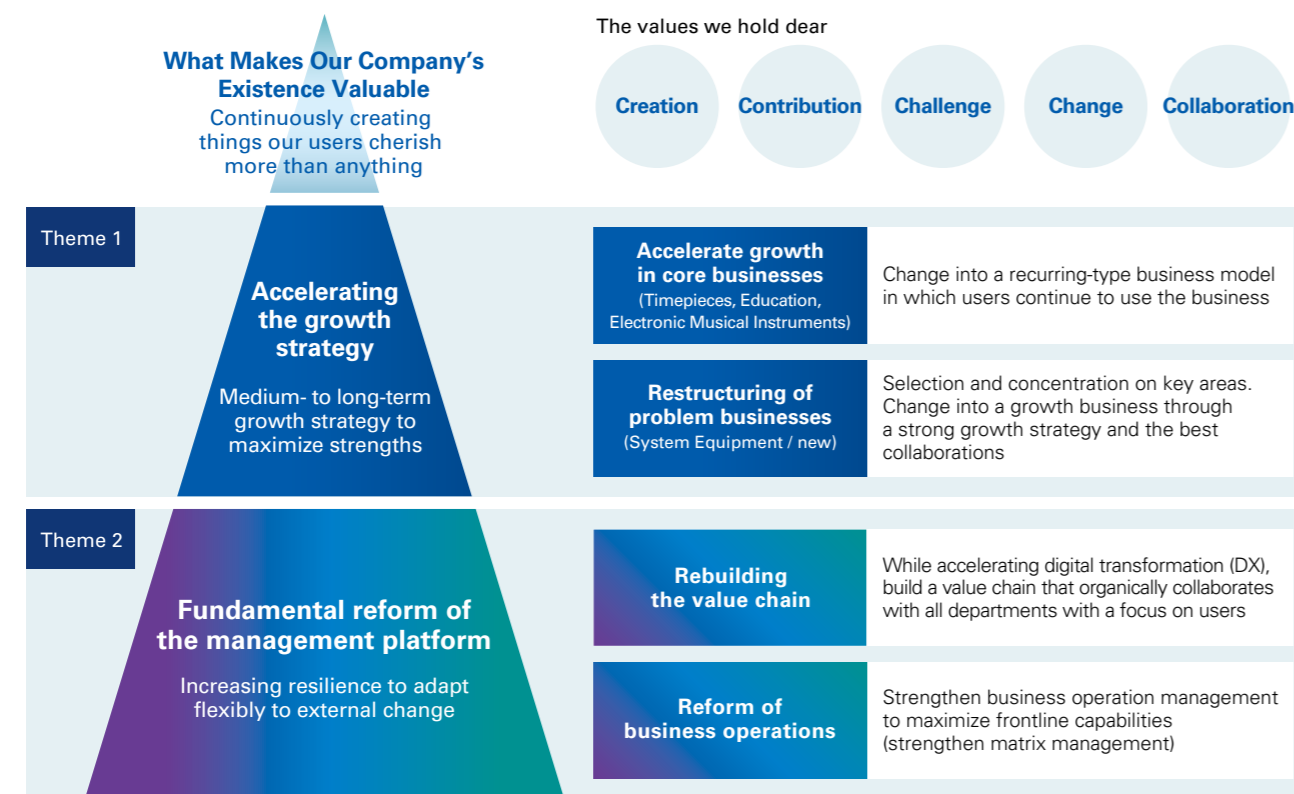
In terms of providing value to users, we aim to continue to provide users with products and experiences in a timely and appropriate manner while accelerating DX to build a value chain that organically collaborates with all departments with a focus on users.

By introducing a new system as a common global foundation and utilizing the data obtained through our own e-commerce site and directly managed stores, we will directly connect with CASIO fans and G-SHOCK fans around the world and provide customized services to each user.

Reform of business operations

In terms of business operations, we will work to strengthen our matrix form of management to maximize frontline capabilities. Previously, we had formulated an initial plan for the entire company with each frontline site only executing the plan and taking any necessary

The two themes of the New Casio C30 Project



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corrective measures. However, going forward, we will establish a new Research + PDCA (RPDCA) system in which frontline sites formulate their own plans to maximize the potential of each item and area from a medium- to long-term perspective so that we can continue to provide the best solutions swiftly and flexibly to changes in the user and business environment. By doing so, each frontline site will be able to make decisions and any adjustments in a timely manner where necessary.

Sustainability and more enhanced human capital

In terms of our management platform, sustainability and the enhancement of human capital are also important strategies.

With regard to sustainability, we have established our material issues and are moving forward with key initiatives. Among these initiatives, those aimed toward the environment, such as with climate change for example, are

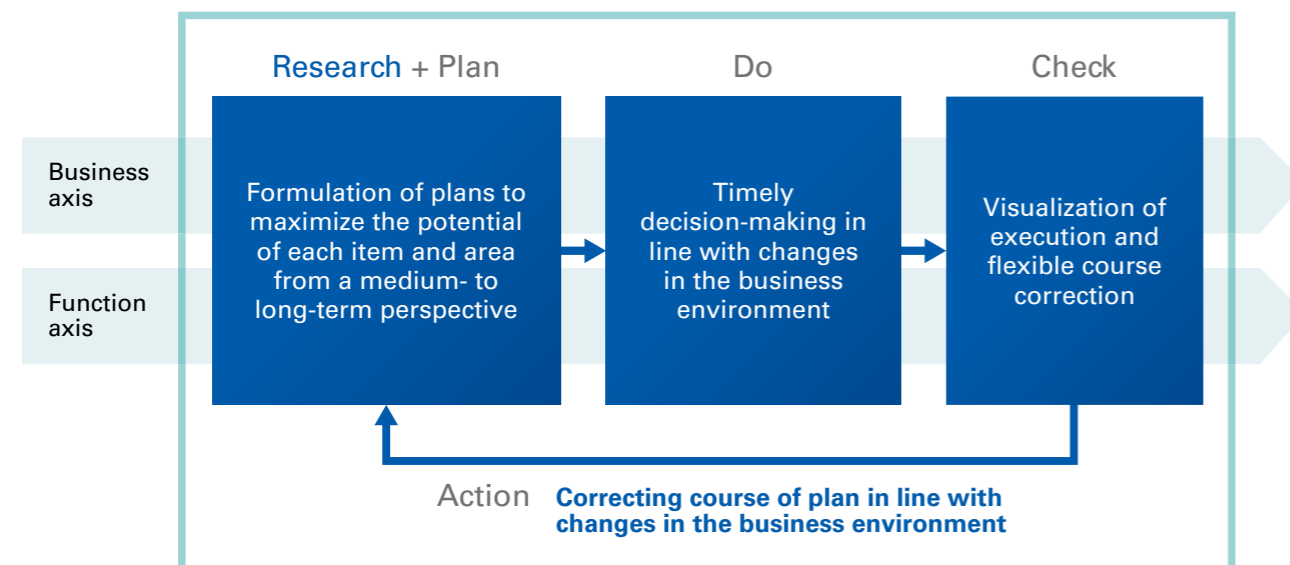
becoming increasingly more important, particularly in the eyes of our stakeholders. Casio has set reduction targets for the fiscal year ending March 31, 2031, aiming to achieve net zero greenhouse gas (GHG) emissions by the fiscal year ending March 31, 2051. Not only were these targets recognized, in the fiscal year ended March 31, 2022, as science-based targets by the SBTi, but they have now also become a part of the RE100 initiative. Progress is also being made with many of our initiatives, for instance, our efforts to go 100% renewable for the electricity used at six of our domestic sites is proceeding very well. And in July 2022, we disclosed our scenario analysis based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Casio has always been one of those companies with strengths in creating products with little impact on the environment. For example, the products we create are small, lightweight, thin, and use less power. Because of these strengths, we will continue to contribute to society and the environment through our business.



Maximizing frontline capabilities

Formulation of plans to maximize the potential of each item and area from a medium- to long-term perspective
If there are any changes in the business environment, adjustments can be made flexibly to meet the change, even during the fiscal year.



The key to successful reform is to bring together the spirit of challenge of each and every employee. We will build and promote human resource strategies aimed at maximizing the performance of both our people and our organization, and fostering a mindset of Challenge, Change, and Collaboration. At the same time, we are developing a project to build a next-generation environment to encourage collaboration both inside and outside the Company by providing optimal work styles for each workplace and job role. We will also focus on diversity, striving to develop diverse human resources, improve management methods, and implement various training programs so that we can build a corporate culture in which each and every employee with diverse values can play an active role. Through the development of a medium- to long-term management strategy, I intend to make the Company one where each and every employee can feel the significance of working at Casio so they can continue to take on challenges toward a common goal.

Contributing to people and society by pursuing what makes our Company's existence valuable

Since its foundation, Casio has served as a game changer by making inventions to create products, and has contributed to society by creating new lifestyles and cultures. In the midst of lifestyles that will continue to diversify well into the future, we will continue to create products and services that offer the most important value to each and every user as a familiar and integral part of a diverse range of lifestyles. It is by achieving this that we hope to contribute to people and society.

We will continue to actively communicate with our stakeholders so that we can receive their honest opinions and understand what their expectations and demands are.

We will continue to carry out reforms to create a new Casio and so I very much look forward to your continued support.