

Message from the Chairman



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Representative Director
and Chairman

Rebooting What Is Uniquely Casio

With a dream in our hearts and urgency in our step,
we will rebuild a uniquely Casio growth strategy and
transform our corporate culture.

Amid a dramatically changing external environment and an uncertain future, now is the time that we should reboot what is uniquely Casio, with a dream in our hearts and urgency in our step. Since becoming chairman in April 2023, I have been overseeing Casio from the standpoint of management and supervision of business execution. From my perspective, what we need to do now is to transform Casio as a corporate entity toward higher capital productivity. This is, in other words, rebooting what is uniquely Casio, comprised of rebuilding a uniquely Casio growth strategy and transforming our corporate culture. By returning to Casio's roots, we will bring together our strengths and the abilities and passion of each and every employee to transform Casio into a company that continues to be essential to each and every one of our target users.

Our understanding of Casio's current situation

In this 68th fiscal year of our business, we recognize that we have not recovered since the COVID-19 pandemic, which emerged at the end of our 64th fiscal year. While external factors such as difficulties in procuring parts, the downturn in the Chinese market, and inflation in the U.S. and European markets are major causes, there is also the unfortunate truth that this situation is caused by internal factors, including the fact that some of our business operations are not adapted to the changing times and that we have a passive and inward-looking corporate structure. Despite such headwinds, Casio possesses many strengths that allow us to achieve renewed growth. It will be thanks to maximal use of our various strengths as capital we can bring to bear that we successfully rebuild our growth strategy and transform our corporate culture.

The challenges that lie before us are in fact the same challenges that the four KASHIO brothers have been tackling since Casio's founding. We will return to Casio's roots and use the passion of each and every employee, imbued with our corporate creed and founding spirit, as the driving force for renewed growth.

Returning to Casio's roots

Since our founding, we have been creating new products the world has never seen based on our corporate creed of "Creativity and Contribution," such as the relay-based calculator, the Casio Mini personal calculator, digital watches, the G-SHOCK, electronic musical instruments, and digital cameras. Casio has produced a number of hit products, and I would like us to look back on Casio's history to see how these products were created.

The relay-based calculator 14-A was launched in 1957, the year Casio Computer was founded. It was born out of a desire to reduce actuarial burden on office staff. The Casio Mini personal calculator was designed to make calculations easier in people's daily lives. Our electronic musical instruments were created with a desire to bring the joy of playing musical instruments to as many people as possible. Casio's history is one of creating products and pioneering new markets with the goal of aligning what we want to achieve with contributing to people's lives. Carrying out this "Creativity and Contribution" is at the heart of our uniquely Casio growth strategy.

It is also our uniquely Casio corporate culture that has allowed us to create these new markets. The four KASHIO brothers who founded Casio served as steadfast pillars in their respective areas: Tadao in management and finance, Toshio in development, Kazuo in sales, and Yukio in production. All of them joined forces (under shared ideas and for co-creation) to achieve the dream (shared desire) of wanting to be helpful to users. They then constantly conceptualized, worried, devised, and challenged themselves together. Despite repeated failures, everyone engaged in the businesses helped each other in a spirit of mutual respect and never gave up, toiling together with a powerful passion and Companywide co-creative spirit to complete their tasks. I believe that this is a uniquely Casio corporate culture.

Thanks to this uniquely Casio growth strategy and corporate culture, we have successfully created perennial fan favorite products like G-SHOCK, firmly establishing the Casio brand among people around the world.



The four KASHIO brothers, founders of Casio Computer

Casio's strengths and potential for renewed growth

In the modern day, Casio's products boast approximately 80 million units sold every year. This means that every year 80 million new users use our products every day. Many of these are loyal Casio customers purchasing more

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than one Casio products. Our greatest strength is our enormous Casio fan base who will keep enjoying our products, day in and day out.

Our core businesses are the Timepiece Business, EdTech Business, and Sound Business. What these businesses share, and how they are capable of building better products, are unique hardware development technologies that achieve robustness, compact design, and low power consumption, as well as unique user experience (UX) technologies that many customers praise for their intuitive, user-friendly design. Another major strength is our brand power, which is the bond that connects Casio and its customers, and mechanisms such as GAKUHAN.

Rebuilding a uniquely Casio growth strategy

Although Casio boasts great product capabilities and a large fan base, especially in our core businesses, we have not been able to adapt to the changing times, leading to the unfortunate period of slight business stagnation we face today. This is due to the fact that the traditional product-oriented, one-time sale-based business model is no longer applicable several decades since Casio was established. Until now, Casio's growth strategy has been for its development teams to create products that sell well, and for teams in other parts of the chain to perform their respective roles efficiently. However, Casio's significance going forward will lie in linking its strengths to our dream of contributing to future society.

Looking ahead, we will implement a growth strategy that is uniquely Casio, and the rebuilding needed for this comes from the transformation of core businesses and the creation of new genres and new businesses in new domains.

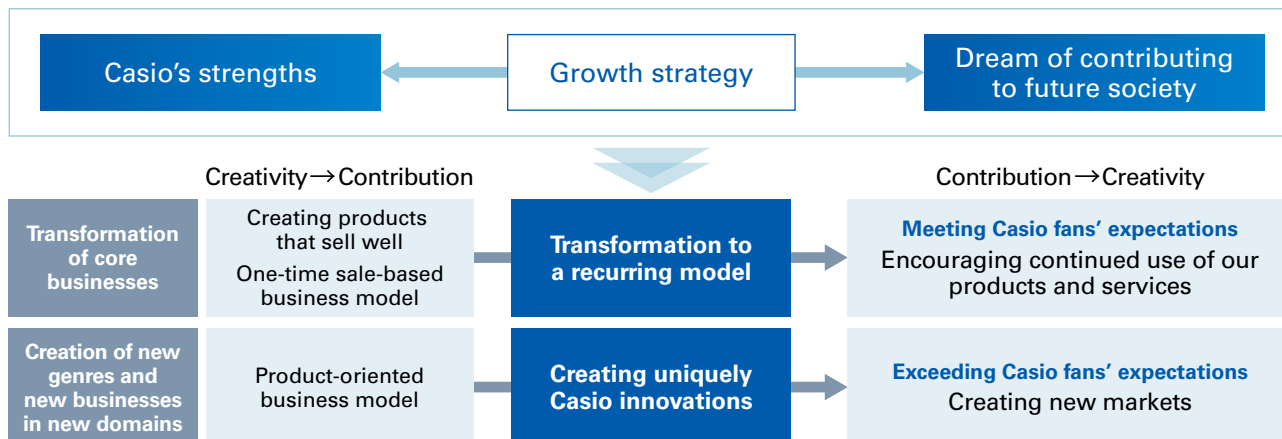
To transform our core businesses, we must achieve the following:

- Shift from creating what sells well to creating the products and services that meet Casio fans' expectations
- Transform to a recurring model that encourages continued use by Casio fans

And, to create new genres and new businesses in new domains, we must:

- Leverage our strengths to create new and uniquely Casio innovations to realize our dream of contributing to future society

Rebuilding a uniquely Casio growth strategy



Transforming our corporate culture

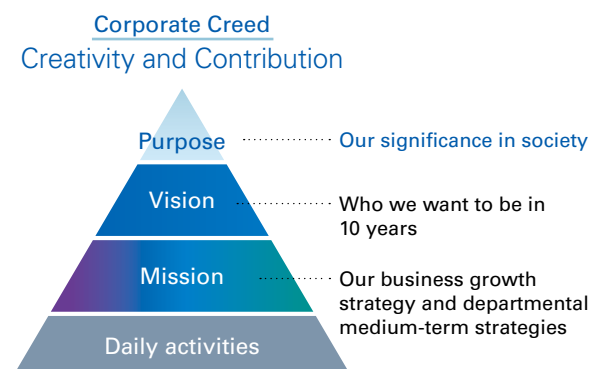
To rebuild a growth strategy that is uniquely Casio, we must restore the corporate culture that is also uniquely Casio. We are reaching limits imposed by traditional ways of working, and while we may be able to achieve efficiency by combining individually optimized parts, we will not achieve new innovation. In the spirit of "one for all, all for one," we will transform Casio's corporate culture so that everyone can continue to take on challenges together without fear of failure, with the common goal of leveraging our strengths and contributing to the lives of Casio fans.

Restoring a corporate culture that is uniquely Casio

As I already mentioned, at the time when Casio was founded, there was a corporate culture of mutual respect, shared ideas, and co-creation, and all of its employees were infused with the Company's corporate creed and founding spirit, centering on the four KASHIO brothers.

To implement a new growth strategy, we will recreate a new corporate culture that is uniquely Casio. It is beyond doubt that we will transform our corporate culture to one in which all employees are imbued with our corporate creed and founding spirit and are able to co-create, respecting one another and continuing to take on challenges toward the common goal of contributing to society.

Transforming into a uniquely Casio corporate culture



A uniquely Casio corporate culture

Each and every employee will **share ideas** with a common purpose and vision, infused with their individual **passion**, working to achieve this vision with mutual respect for colleagues.
All employees will bring together their **creativity** and continue to take on **challenges** in a spirit of **co-creation**.

Maximizing Casio's strengths and the abilities and passion of every employee by instilling our corporate creed and founding spirit

The driving force behind rebooting what is uniquely Casio is the passion, ability to take on challenges, and creativity of every employee involved in our businesses. Each Casio employee should have a heartfelt understanding of Casio's corporate creed and founding spirit, and continue to exercise their own creativity and ability to take on challenges to achieve the series of goals that lead to fulfillment of our purpose. This is about everyone working together to co-create with mutual respect and passion.

Currently, all of Casio is engaged in activities to promote this heartfelt understanding of our corporate creed and founding spirit. To convey these properly, we must be repeatedly engaged in direct communication with employees. I visit our work sites in person to hold "Dialogue with the Chairman" sessions with employees. Through these conversations, I build resonance with our corporate creed and founding spirit, supporting our employees in their creativity and ability to take on challenges. The entire company has begun various initiatives, including the Building Next-Generation Environment Project, the Purpose Project, and CASIO ACTION 2030, to create a uniquely Casio culture that continues to take on new challenges.

Rebooting what is uniquely Casio: Bringing joy to every Casio fan through the power of each and every employee

Currently, we have adopted matrix management (business and function axes) as a business management mechanism, effective for increasing efficiency. We are confident that by achieving a uniquely Casio corporate culture in addition to this matrix management in order to implement the new growth strategy, each and every employee will be able to help rebuild a uniquely Casio growth strategy in their own actions.

Looking ahead, we will continue to make new innovations to meet the expectations of Casio fans, thereby contributing to society. By harnessing the creativity and ability to take on challenges of all Casio employees, we will work together to create a new future.