

# Third Quarter Results Briefing for Year Ending March 31, 2011



**CASIO COMPUTER CO., LTD.**

**February 1, 2011**

## **Forward-looking Statements**

**Earnings estimates and expectations that are not historical fact included in this report are forward-looking statements.**

**Although such forward-looking statements reflect the judgment of management based on information currently available to it, various factors could cause actual results to differ materially.**

# FY2011 Third Quarter Results Highlight

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(billions of yen)

Consolidated	FY2010	FY2011 (ending March 2011)	
	Q1-Q3 (Apr.1 - Dec.31)	Q1-Q3 (Apr.1 - Dec.31)	Year-on- year change
Net sales	306.2	256.8	-49.4
Operating income	(20.5)	9.1	+29.5
Ordinary income	(17.5)	8.6	+26.1
Net income	(14.5)	4.6	+19.1

YOY change of current businesses: net sales +3.5 billion, operating income +9.1 billion

## **Year-on-Year Summary of Net Sales and Operating Income**

**Net sales: ¥306.2 billion → ¥256.8 billion (-49.4 billion)**

- ◆ **Effect of exclusion of subsidiaries from consolidation (Cellular phones, TFT LCDs): -52.9 billion yen**
- ◆ **Current businesses: +3.5 billion yen**

**Operating income: ¥-20.5 billion → ¥9.1 billion (+29.5 bil)**

- ◆ **Effect of exclusion of subsidiaries from consolidation (Cellular phones, TFT LCDs): +19.5 billion yen**
- ◆ **Current businesses: +9.1 billion yen**
- ◆ **Adjustment: +0.9 billion yen**

# FY2011 Financial Forecasts

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(billions of yen)

Consolidated	FY2011 (ending March 2011)		
	Q4 forecasts (Jan.1 - Mar.31)	Full year forecasts	Year-on- year change
Net sales	118.2	375.0	-52.9
Operating income	5.9	15.0	+44.3
Ordinary income	4.4	13.0	+38.1
Net income	2.4	7.0	+28.0

## ◆ Digital Cameras

- Sales of EX-ZR10 with HDR-ART function in full swing.
- TRYX, a whole new style digital camera to be launched  
→ Sales to begin in North America

Freestyle shooting made possible by liberating form factor



Frame acts as a tripod

Rotating LCD screen



The camera's built-in motion sensor triggers the shutter to be released when it detects a body movement.



## ◆ Timepieces

- Expand sales of **G-SHOCK** and **EDIFICE** watches
- Expand sales of women's watches, notably **SHEEN** brand

## ◆ Electronic Dictionaries

- Launch of 15 new models
  - Industry's first with a color sub-screen, enabling richer expressions and better usability
  - Equipped with a new image search tool "electronic pictorial book" that searches for matching descriptions of things whose names are not known to users

## ◆ System Equipment

- Sales of mercury-free projectors in full swing
- Launch of new products
  - PA: Slim handheld terminal **IT-300** for efficient store management
  - SA: Cash registers **TK-6500/TE-6500** compatible with **PASMO** electronic money payment

## **◆ Contribution from new business**

- Create new culture of digital art utilizing network server technology
  - Global launch of the online service 'CASIO IMAGING SQUARE'
  - Expand business into software service on top of existing hardware business to create a larger market

## **◆ Improve profitability of digital cameras**

- Overhaul of cost structure
- Maintain ASP by expanding sales of high value-added models
- Secure SKU at major distributors in North America

## **◆ Upsize Timepiece and Electronic Dictionary businesses**

- "Shock The World" campaign to expand sales of radio-controlled watches
- Expand sales of electronic dictionaries in China

## **◆ Improve System equipment's earnings**

- Expand sales of mercury-free projectors
- Active offering of business solutions



# New Business

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**Launch of new online service that enables users to transform digital photos into pieces of artwork**

**CASIO** Network Service  
**IMAGING SQUARE**

Launched on January 11, 2011

- Online image conversion service to enjoy art
- Digital photos become impressive pieces of art with clicks of a button

## Web-based Image Conversion Service

- ◆ HDR-Art Craft  
A tool to produce artistic HDR art from a photo
- ◆ Virtual Painter: 12 artistic styles available for conversion
- ◆ Dynamic Photo: cut out a subject and create a composite picture

My Atelier

- ◆ Store photos and works

Gallery

- ◆ Publish and view works

# Net Sales and Operating Income by Segment

<FYI>

(billions of yen)

Consolidated	FY2011 Forecasts (55th term)	
	Q1-Q3	Full year
<b>Net Sales</b>		
<b>Consumer*</b> (Digital cameras, Timepieces, Electronic dictionaries, Calculators, Electronic musical instruments)	194.0	272.0
<b>System equipment</b>	32.5	62.5
<b>Others</b>	30.3	40.5
<b>TOTAL</b>	<b>256.8</b>	<b>375.0</b>
<b>Operating Income</b>		
<b>Consumer</b>	13.0	20.7
<b>System equipment</b>	(1.9)	(1.7)
<b>Others</b>	0.6	0
<b>Adjustment</b>	(2.6)	(4.0)
<b>TOTAL</b>	<b>9.1</b>	<b>15.0</b>

\*Full year sales break down for Consumer segment: Digital cameras ¥75bil., Timepieces ¥87bil., others ¥110bil.

END