

Consolidated Financial Results for the Nine Months Ended December 31, 2015 (Japan GAAP)

English Translation of *Kessan Tanshin*

(Summary for reference)

February 2, 2016

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

Filing of Securities Report (*Shihanki Hokokusho*) (scheduled): February 12, 2016

Start of distribution of dividends (scheduled): -

Preparation of supplementary explanatory materials: Yes

Conducting results briefing for the quarter: Yes

Note: The original disclosure in Japanese was released on February 2, 2016 at 15:00 (GMT+9).

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

1. Consolidated Financial Results for the Nine Months (From April 1, 2015 to December 31, 2015)

(Millions of yen)

(1) Operating Results

(Percentages indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
		%		%		%		%
Nine months ended December 31, 2015	261,817	6.8	33,472	28.6	33,335	22.1	24,811	40.5
Nine months ended December 31, 2014	245,052	5.6	26,029	50.1	27,298	61.2	17,654	70.0

(Note) Comprehensive income: Nine months ended December 31, 2015: 21,416 million yen (17.5)%

Nine months ended December 31, 2014: 25,972 million yen 34.9 %

	Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Nine months ended December 31, 2015	94.94	93.19
Nine months ended December 31, 2014	66.73	65.98

(2) Financial Position

(Millions of yen)

	Total assets	Net assets	Equity ratio
As of December 31, 2015	379,139	215,106	56.7 %
As of March 31, 2015	374,656	204,158	54.5 %

(Reference) Equity: As of December 31, 2015: 215,106 million yen

As of March 31, 2015: 204,158 million yen

2. Dividends

	Dividends per share (Yen)				
	June 30	September 30	December 31	March 31	Total
Year ended March 31, 2015	-	12.50	-	22.50	35.00
Year ending March 31, 2016	-	17.50	-	-	-
Year ending March 31, 2016 (Forecast)	-	-	-	17.50	35.00

(Note) Revision of most recent dividends forecast: No

3. Consolidated Results Forecasts for Fiscal 2016 (From April 1, 2015 to March 31, 2016)

(Millions of yen)

(Percentages indicate changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
Fiscal 2016	370,000	9.3	50,000	36.0	48,000	26.8	33,000	25.0	126.27

(Note) Revision of most recent consolidated results forecasts: No

Notes

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

Newly included: -

Excluded: -

(2) Application of the special accounting methods to the preparation of quarterly consolidated financial statements: No

(3) 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

(4) Number of shares outstanding (common shares)

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

As of December 31, 2015: 269,020,914 shares

As of March 31, 2015: 269,020,914 shares

(b) Number of treasury shares:

As of December 31, 2015: 7,687,544 shares

As of March 31, 2015: 7,681,689 shares

(c) Average number of shares outstanding (cumulative for all quarters):

Nine months ended December 31, 2015: 261,336,488 shares

Nine months ended December 31, 2014: 264,541,280 shares

Statement on the Implementation Status of Quarterly Review Procedures

This report of quarterly consolidated financial results is outside the scope of review procedures based on Japan's Financial Instruments and Exchange Law. At the time of publication of this report, the company has not yet completed the review procedures of the quarterly financial statements based on the Financial Instruments and Exchange Law.

Proper Use of Business Results Forecasts and Other Notes

- 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. Please refer to Discussion of Forward-looking Statements, including Consolidated Results Forecasts on page 4 for the conditions that form the assumptions for business results and cautions concerning the use of business results forecasts.
- The supplementary explanatory materials for the financial results are published on the company's official website on February 2, 2016.

ATTACHED MATERIALS

1. Qualitative Information for the First Three Quarters of the Current Fiscal Year	
(1) Discussion of Operating Results	4
(2) Discussion of Financial Position	4
(3) Discussion of Forward-looking Statements, including Consolidated Results Forecasts	4
2. Consolidated Financial Statements	
(1) Consolidated Balance Sheets	5
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	7
Consolidated Statements of Income	7
Consolidated Statements of Comprehensive Income	8
(3) Notes to Consolidated Financial Statements	9
Notes on Premise of Going Concern	9
Notes on Significant Changes in Shareholders' Equity	9
Segment Information	9

1. Qualitative Information for the First Three Quarters of the Current Fiscal Year

(1) Discussion of Operating Results

During the third quarter of the current fiscal year, although the Japanese and US economies maintained a moderate recovery, uncertainty remained over the future outlook, due to increasing concerns about a slowdown in the global economy caused by the economic slowdown in emerging countries and the low price of crude oil.

In this situation, consolidated net sales for the first three quarters of the fiscal year rose 6.8% year-on-year to ¥261.8 billion. By segment, sales stood at ¥225.7 billion in the Consumer segment, ¥29.5 billion in the System Equipment segment, and ¥6.4 billion in the Others segment.

In the timepiece business, sales of the high-end G-SHOCK and OCEANUS lines, including GPS hybrid radio-controlled solar-powered watches, remained strong, driving growth in overall sales. Also, sales of the EDIFICE model which connects to a smartphone via Bluetooth® continued to be favorable. In the projector business, the recently launched XJ-V1 and the new XJ-V2, innovative, cost-competitive models, maintained strong sales.

In income for the first three quarters of the fiscal year, the Consumer segment posted ¥38.8 billion in operating income. The improved product mix in the timepiece business helped spur the income growth in the segment. Digital cameras secured stable income thanks to the lineup of original high-end products. The System Equipment segment recorded an operating loss of ¥2.1 billion, and the Others segment posted an operating loss of ¥0.1 billion. As a result, Casio posted ¥33.4 billion in consolidated operating income, up 28.6% year-on-year, allowing for adjustment. Casio recorded ¥33.3 billion in ordinary income, up 22.1% year-on-year, and ¥24.8 billion in profit attributable to owners of parent, up 40.5% year-on-year.

(2) Discussion of Financial Position

Total assets on a consolidated basis at the end of the third quarter of the current fiscal year stood at ¥379.1 billion, up ¥4.4 billion compared to the end of the previous fiscal year, owing to an increase in securities. Net assets increased ¥10.9 billion to ¥215.1 billion compared to the end of the previous fiscal year, mainly due to an increase in retained earnings. As a result, the equity ratio improved 2.2 points compared to the end of the previous fiscal year to 56.7%.

Casio will continue to pursue effective management of its business assets, aiming to build a stable and strong financial structure.

(3) Discussion of Forward-looking Statements, including Consolidated Results Forecasts

There are currently no changes to the previous consolidated results forecasts for the fiscal year ending March 2016, which were published on May 12, 2015.

Casio will strive to boost its earning capacity and its management and financial structure based on a long-term perspective through a proactive global rollout of new products that draw on the company's globally unique technologies.

Notes concerning results forecasts

- 1) Exchange rates are estimated at US\$ 1 = ¥115 and Euro 1 = ¥130
- 2) The forward-looking statements including business results forecasts are based on information currently available to the company and on certain assumptions deemed to be reasonable. Actual business results may differ substantially due to a number of factors. Key factors affecting actual business results may include, but are not limited to, the economic circumstances surrounding the company's business, fluctuations in the exchange rates of major currencies including the yen-dollar rate, and significant changes in product prices.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	82,806	68,044
Notes and accounts receivable-trade	45,869	42,311
Securities	32,144	59,998
Finished goods	41,064	45,874
Work in process	7,258	6,842
Raw materials and supplies	7,629	7,759
Other	28,364	21,160
Allowance for doubtful accounts	(520)	(502)
Total current assets	244,614	251,486
Non-current assets		
Property, plant and equipment		
Land	36,492	36,147
Other, net	25,809	25,122
Total property, plant and equipment	62,301	61,269
Intangible assets	6,252	6,901
Investments and other assets		
Investment securities	42,140	40,128
Net defined benefit asset	14,138	14,866
Other	5,285	4,561
Allowance for doubtful accounts	(74)	(72)
Total investments and other assets	61,489	59,483
Total non-current assets	130,042	127,653
Total assets	374,656	379,139

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable-trade	35,135	33,072
Short-term loans payable	250	190
Current portion of long-term loans payable	-	5,000
Income taxes payable	3,208	4,338
Provision for product warranties	778	776
Other	42,935	39,099
Total current liabilities	82,306	82,475
Non-current liabilities		
Bonds with subscription rights to shares	10,043	10,036
Long-term loans payable	67,000	62,000
Net defined benefit liability	1,219	1,101
Other	9,930	8,421
Total non-current liabilities	88,192	81,558
Total liabilities	170,498	164,033
Net assets		
Shareholders' equity		
Capital stock	48,592	48,592
Capital surplus	65,058	65,058
Retained earnings	79,301	93,658
Treasury shares	(9,995)	(10,009)
Total shareholders' equity	182,956	197,299
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,392	10,003
Foreign currency translation adjustment	2,622	932
Remeasurements of defined benefit plans	7,188	6,872
Total accumulated other comprehensive income	21,202	17,807
Total net assets	204,158	215,106
Total liabilities and net assets	374,656	379,139

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

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	245,052	261,817
Cost of sales	136,182	145,071
Gross profit	108,870	116,746
Selling, general and administrative expenses		
Salaries, allowances and bonuses	25,876	27,193
Other	56,965	56,081
Total selling, general and administrative expenses	82,841	83,274
Operating income	26,029	33,472
Non-operating income		
Interest income	456	392
Dividend income	234	312
Foreign exchange gains	1,818	-
Other	249	167
Total non-operating income	2,757	871
Non-operating expenses		
Interest expenses	754	312
Foreign exchange losses	-	383
Other	734	313
Total non-operating expenses	1,488	1,008
Ordinary income	27,298	33,335
Extraordinary income		
Gain on sales of investment securities	-	1,120
Other	-	4
Total extraordinary income	-	1,124
Extraordinary losses		
Loss on retirement of non-current assets	1,159	115
Impairment loss	1,558	262
Total extraordinary losses	2,717	377
Profit before income taxes	24,581	34,082
Income taxes	6,906	9,271
Profit	17,675	24,811
Profit attributable to non-controlling interests	21	-
Profit attributable to owners of parent	17,654	24,811

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	17,675	24,811
Other comprehensive income		
Valuation difference on available-for-sale securities	3,008	(1,389)
Deferred gains or losses on hedges	49	-
Foreign currency translation adjustment	5,415	(1,690)
Remeasurements of defined benefit plans	(175)	(316)
Share of other comprehensive income of entities accounted for using equity method	(0)	0
Total other comprehensive income	8,297	(3,395)
Comprehensive income	25,972	21,416
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	25,951	21,416
Comprehensive income attributable to non-controlling interests	21	-

(3) Notes to Consolidated Financial Statements

Notes on Premise of Going Concern

Not applicable.

Notes on Significant Changes in Shareholders' Equity

Not applicable.

Segment Information

I Nine months ended December 31, 2014

Information on Net Sales and Income or Loss for Each Reportable Segment

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated statement of income (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	209,073	28,349	7,630	245,052	-	245,052
(2) Intersegment	2	23	5,468	5,493	(5,493)	-
Total	209,075	28,372	13,098	250,545	(5,493)	245,052
Segment income (loss)	35,336	(6,225)	(205)	28,906	(2,877)	26,029

Notes: 1. The 2,877 million yen downward adjustment to segment income (loss) includes corporate expenses of 2,877 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. Segment income (loss) is reconciled with operating income in the consolidated statement of income.

II Nine months ended December 31, 2015

Information on Net Sales and Income or Loss for Each Reportable Segment

(Millions of yen)

	Reportable segments				Adjustments (Note 1)	Amounts on consolidated statement of income (Note 2)
	Consumer	System Equipment	Others	Total		
Net sales						
(1) External customers	225,790	29,583	6,444	261,817	-	261,817
(2) Intersegment	2	36	6,864	6,902	(6,902)	-
Total	225,792	29,619	13,308	268,719	(6,902)	261,817
Segment income (loss)	38,899	(2,135)	(138)	36,626	(3,154)	33,472

Notes: 1. The 3,154 million yen downward adjustment to segment income (loss) includes corporate expenses of 3,154 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. Segment income (loss) is reconciled with operating income in the consolidated statement of income.