

## Q&A Summary from Results Briefing for the Fiscal Year Ended March 31, 2026

Date and time: Thursday, May 14, 2026, 17:30 to 18:30

Q: To what extent have you factored into the forecast impacts such as the surge in crude oil prices due to the situation in the Middle East and the sharply rising costs of other materials, including memory?

A: We have factored the impact of the sharply rising costs of materials, including memory, into the forecast. The surge in crude oil prices has been factored in based on the assumption that the current impact will continue through the end of July.

Q: For the Timepiece Business, under the medium-term management plan, the target for sales is 207.0 billion yen, with an operating profit margin of 15.7%. The increase in the operating profit margin is gradual. What is the reason behind that?

A: Due to uncertainties, including sharply rising raw material costs, it is difficult to forecast over a three-year plan period, and while the target may appear somewhat conservative, we have set it as a minimum for now. Naturally, we aim to beat the target.

Q: In the Timepiece Business, you mentioned you will grow both G-SHOCK and CASIO WATCH under the medium-term management plan. Do you assume that the product mix of sales will be unchanged in three years' time?

A: In the Timepiece Business, we will pursue a strategy driven by our two core watch brands to deliver continuous business growth. Profitability is high for both G-SHOCK and CASIO WATCH, and we will work to maximize the amount of profit by growing both brands.

Q: The Sound Business already required profit improvement under the previous medium-term management plan, but you intend to reduce losses in the current fiscal year and achieve profitability in the final year of the plan. What basis do you have for believing this plan is achievable?

A: First, we will rebuild the profit structure through structural reform, including reform of unprofitable areas and review of the personnel structure. At the same time, we will drive improvements in profitability and strive to fulfill the plan by taking measures such as increasing sales by introducing differentiated new products and enhancing the higher value-added products in the lineup we have been developing to date.

Q: A strategic investment budget of 30.0 billion yen has been set aside under your capital

allocation policy. What kind of uses do you envisage for this?

A: The target areas for strategic investment are primarily the Timepiece and Education businesses, which are our core businesses, and new businesses. We envision investments designed to return core businesses to growth and to expand into new and potential growth fields.

Q: Under the medium-term management plan, what kind of new businesses do you envision for the fiscal year ending March 31, 2029?

A: At present, sales from the Moflin smart companion and other new businesses we plan to announce in the future are included in the Others segment. However, in three years' time, we aim to create a separate "new business" segment that has a sales plan of around 10.0 billion yen and is already profitable.