

## To Our Stakeholders

# Message from the Chairman and the President



Kazuo Kashio  
Chairman and  
Chief Executive Officer

## Business Report for Fiscal 2016

In fiscal 2016, Casio delivered three consecutive quarters of growing sales and income, driven by steps taken to strengthen each of its businesses.

Profit attributable to owners of parent reached ¥31.1 billion, up 18.2% year-on-year, while basic earnings per share hit ¥119.72, up 19.6% year-on-year, both setting record highs for the second straight fiscal year.

In the timepiece business, which is our biggest core business, sales grew and profitability was up. We achieved this by exploiting high-end retail channels with our high value-added G-SHOCK and OCEANUS watches, including GPS hybrid radio-controlled solar-powered models, and by generating strong sales of models in our EDIFICE line that connect to a smartphone via Bluetooth®. In our education products business, we secured profitability by increasing sales of scientific calculators in markets outside of Japan. In the digital camera business, we earned stable profits by maintaining high unit prices leveraging high-end models with original features. In the projector business, we achieved sales growth and increased profitability by expanding our lineup of projectors featuring our original semiconductor light source.

## Key Strategies for Fiscal 2017

In the timepiece business, we will expand sales worldwide by continuing to market high added-value metal analog watches, under our “Global Time Sync” concept of keeping accurate time anywhere in the world. We will also introduce models with systems that keep accurate time by connecting to a smartphone, bringing this technology to our brands for women in order to further popularize models with this feature.

In the education products business, we will market full-featured English learning devices for adult users in the Japanese market, while outside of Japan we will expand our lineup of scientific calculators with country-specific features tailored to the language and education system of the target country. In addition, we will globally expand our framework for school sales in order to tap into undeveloped regions and develop new markets. In the electronic musical instruments business, we will endeavor to develop new markets by marketing instruments at high price points, especially our full-featured pianos and high-quality

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keyboards. Specifically, we will market instruments to specialty musical instrument stores and music schools, and we will expand sales of keyboards in North America and Europe.

In the digital camera business, we will maintain high unit prices and strong profitability by marketing original high-end products.

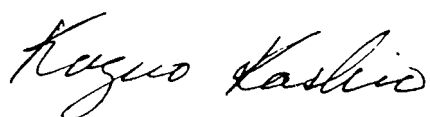
In terms of new business, we released the Smart Outdoor Watch in Japan and the US in March 2016, to a strong reception. The watch is a departure from conventional smartwatches, in that it has clearly defined applications and is designed especially for certain users. We will begin marketing this product in Europe in fiscal 2017. In addition, we will launch a new global website in September 2016 for businesspeople, featuring videos that communicate the experience and expertise Casio has gained over its 60 years in business.

## Message for Shareholders

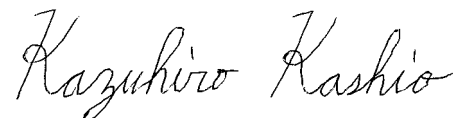
Casio is making steady strides in strengthening its business position, maintaining a policy of providing shareholder returns based on earnings. We will aim to further increase profitability and improve upon the already high 15.4% return on equity (ROE) which we posted in fiscal 2016, keeping it balanced with the equity ratio. Based on our strong earnings in fiscal 2016, we have increased the dividend by ¥5 per share over the previous fiscal year, to a record-high ¥40 per share.

In fiscal 2017, we will endeavor to further increase shareholder returns by continuing to grow profits. We will make every effort to execute our business so that it keeps meeting the expectations of our shareholders. Thank you for your continued support.

Kazuo Kashio  
Chairman and Chief Executive Officer



Kazuhiro Kashio  
President and Chief Operating Officer




Kazuhiro Kashio  
President and Chief Operating Officer