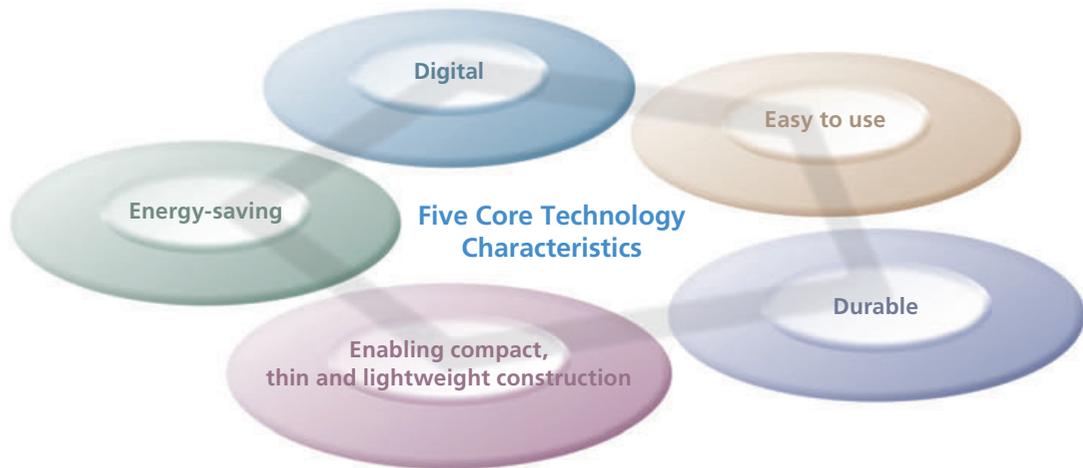


Development Philosophy and Core Technology

The basic philosophy behind Casio's product development is to create something worthwhile where there was nothing before. This approach goes well beyond simply making existing devices easier to use. Rather, we use digital technologies to develop new culture based on the creation of entirely new value. We develop products by matching advanced technologies with ideas, always aiming to create products that are easy for anyone to use.

When transforming novel concepts into new products, Casio employs core technologies that have the following characteristics.



Intellectual Property Initiatives

Since its establishment, intellectual property has been an important management resource enabling Casio to continue its mission of launching unparalleled products with unique new technologies. While respecting the intellectual property rights of others, Casio protects its own businesses by taking a unique approach to intellectual property management. We also strive to increase corporate earnings by leveraging our intellectual property.

In recent years, we have accelerated our overseas patent application activities as our business has grown more global. Our goal is for overseas patent applications to represent one-third of our total, particularly in the competitive intellectual property market of the United States. We are also actively pursuing intellectual property opportunities in the expanding Chinese market.

