

## Priorities for the current fiscal year

**Casio has long led the compact digital camera market, thanks to a stream of differentiated product launches supported by our proprietary technologies.**

Currently we offer products that differentiate us from competitors through unique strengths such as high-speed burst shooting and movie features, functions such as Dynamic Photo (enabling moving subjects to be cut and pasted onto still backgrounds or other images) and shock resistance and waterproofing. To further build market share, we need to ensure that users fully understand what makes the functions incorporated into these products so impressive. In the future, we aim to expand our share in overseas markets, particularly Europe and China, through a marketing strategy that focuses on deepening customer understanding of these products by proposing new ways of using them. An example is the EX-FS10S, a digital camera in the Exilim range specifically designed to improve your golf. While actually on the course, you can check

whether your swing is correct by recording yourself using a high-speed movie function and comparing the result with the corrective lines that are displayed over the playback.

We have also developed a revolutionary new product that combines Global Positioning System (GPS) with motion sensor technology to enable users to pinpoint their own position even inside buildings, where GPS cannot be used. With an inbuilt database with map and tourist site information, it enables display of maps indoors, with the motion sensor showing the movement of the camera user superimposed on the map. This makes it the ideal camera for travel.

We will continue to shake up the digital camera market by developing and launching models with new functionality, for new applications based on the perspective of the user.



EXILIM EX-FS10S

You can check your golf swing with the guidelines on the screen.

# Digital Cameras



EXILIM EX-Z2000



EXILIM EX-G1

# Timepieces



Sheen

**To further expand our share of the timepiece market, we are focusing on the following policies.**

We are considering a full-scale entry into the highly attractive market for women's timepieces. Women tend to prefer smaller watches, and we have been unable to incorporate the modules needed for multifunctional wristwatches due to this size limitation. During fiscal 2010, however, we developed a multifunctional wristwatch module with the world's smallest diameter, at 25 mm, and have incorporated it in our new Sheen brand for women. Looking ahead, we aim to expand our lineup of women's wristwatches based on this module, and build our share of the women's timepiece market.

Meanwhile, in 2009, we organized "Shock the World Tour" to further strengthen the G-Shock brand, taking in 19 cities in 11 countries including New York, Paris and Shanghai. This event was very successful, generating a spillover effect beyond the host cities and indeed beyond the host countries. To further leverage the benefits of this campaign, we plan to extend the tour during 2010 to include 22 cities in 16 countries.



An event in "Shock the World Tour 2009"



**In the Japanese market, we shifted from monochrome to color screens for major models at the beginning of 2010.**

Thanks to design improvements in the TFT LCD panel and mounting technology, we were able to keep the dictionaries more or less at their current size and even lengthen their battery life. We intend to maintain our top share in Japan by further evolving this product line.

Over the last few years, we have worked to raise awareness

and develop new marketing channels for electronic dictionaries at educational institutions where they are needed, prior to launching a drive to develop overseas markets. In the future, we will introduce color models in the highly promising Chinese market and broaden the range of target markets, to step up the pace of expansion overseas.



EX-word XD-A10000

# Electronic Dictionaries



Casio has developed the Digital Art Frame, which is a revolutionary digital imaging product with a special function that changes ordinary snapshots into "paintings."

New Product

# The Digital Art Frame

Users can recreate up to eight different art styles from a single photo at the push of a button: water color painting, color pencil sketch, pastel painting, pointillism, air brush, oil painting, fauvist oil painting, and gothic oil painting.

The product also comes with Dynamic Photo, enabling creation of composite moving images. Users can combine moving characters directly on the Digital Art Frame and even create moving works of art from photos.

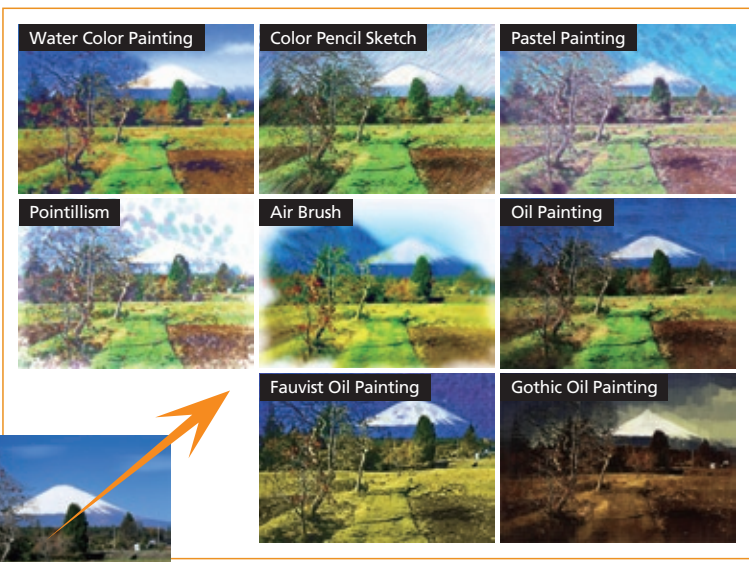
The Digital Art Frame also allows you to use family photos to make your own homemade clocks and calendars, by combining the Dynamic Photo and snapshot-to-painting conversion functions on the Digital Art Frame and images from a Casio digital camera with high-speed burst shooting.

We plan to launch further new products that develop the Digital Art Frame concept.

This product provides entirely new kinds of fun with images. With this digitization of imaging, Casio has crossed a new frontier in digital imaging.



You can choose the pictures of your family on the dial, which change with the passing hours.



Using just one button, Mount Fuji can be rendered in eight different styles.