

Leaner, Faster, Stronger

Rising to the Challenge

Going Beyond the Conventional

As the manufacturer of the enormously popular G-Shock line of wristwatches and the first company to market digital cameras commercially, Casio has long maintained a reputation as a revolutionary electronics manufacturer. Casio owes this distinction to its resolute dedication to the development of products to astonish consumers around the world with a glimpse of the future.

At Casio, the creation of innovative products starts with an examination of consumer needs and is followed by the development of new products to satisfy those needs. Not content to simply incorporate new technologies into yesterday's products, Casio's intensive approach to meeting consumer needs is the key



*Yoshio Ono,
Managing Director,
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to its ability to consistently lead the consumer electronics market.

Now, Casio is moving to the next phase of its evolution to fulfill the management creed to create products and services that will delight people throughout the world. Rather than merely responding to the calls from consumers for specific innovations, Casio is shifting the focus of its product development to surpassing consumers' highest expectations and even going beyond what consumers can imagine. This proactive strategy will ensure Casio continues to

produce attention-grabbing products to improve the way people live.

"We look at creating value. Even if a new product incorporates some type of astounding technology, if it is of no use to consumers, then there is no point in producing it," said Yoshio Ono, Casio's managing director of product development.

We at Casio are intent on creating value. Consumers will flock only to those products that provide value in their ability to make life easier, better, and more enjoyable.

Feature Section: **Leaner, Faster, Stronger**

As a result of Casio's new product development philosophy, the Company has been able to create a wide variety of original products that have caught the attention of consumers worldwide, including the EXILIM digital "wearable card camera," WAVE CEPTOR radio-controlled wristwatches, and a multivolume electronic dictionary.

Advancing the State of the Art in Digital Cameras

Casio's introduction of the world's first commercial digital camera (QV-10) in 1995 changed the way people take photographs, and these digital cameras are quickly replacing conventional silver halide cameras as the standard.

Designed to further revolutionize the way people use cameras, in June 2002, we introduced the EXILIM (EX-S1), a digital camera roughly the size of a credit card, making it easy to carry in a pocket or handbag.

Until recently, cameras were heavy and bulky, and people only carried them in anticipation of such worthy events as vacations or parties.

However, the EXILIM will expand the role cameras play in people's lives.

The EXILIM will pave the way for transforming a camera into an accessory, much like keys and a billfold that are carried at all times and are ready to be used whenever a special occasion arises.

"This is based on our concept of the camera you can take anywhere.

Ordinarily, an entire household shares a single camera, but, with the EXILIM, the importance of cameras will be elevated to the point that people will want to have their own individual camera," Ono said.

The diminutive size of the EX-S1 was by no means achieved by compromising on function. On the contrary, at 11.3mm thin, it is

Launched in March 2003, the EX-Z3 model is the first 3.2 megapixel camera in the EXILIM series equipped with a 3x optical zoom.





The G, the top of the line of our popular G-Shock series, is in a class by itself with high shock resistance and is solar powered with tough solar technology to supply power for the wave function.

CEPTOR constantly adjusts its time in line with even distant cesium atomic clocks, making it the ultimate standard for accuracy.

The infrastructure necessary for this technology to be used in Japan was only just made available nationwide in 2001. Radio waves from Japan's atomic clock can be picked up in South Korea, and Casio is marketing the WAVE CEPTOR there as well. Essential infrastructure is now in Germany and the United States, and the WAVE CEPTOR is being sold in those two markets as well.

Select WAVE CEPTOR models are also solar powered. Casio eliminated not only the need to adjust the time but also the need to change batteries to offer the public a wristwatch that requires virtually no maintenance.

"The difficult thing about the WAVE CEPTOR was designing a reliable antenna to receive transmissions from atomic clocks and fit it in a wristwatch. However, now Casio is able to offer consumers a wristwatch that never shows the wrong time and never stops," Ono said.

As the world's top wristwatch maker, Casio is again shaking up the market with superior innovations. The WAVE CEPTOR is the product of Casio's goal to create a wristwatch of the highest value at a price people can afford.

"President Kashio has said that he expects around 80% of radio-controlled wristwatches sold will eventually be regulated by atomic clocks," Ono said.

the world's thinnest digital camera with an LCD viewscreen¹.

We also reduced warm-up time to roughly one second and the shooting interval to 0.6 second to ensure that the perfect shot is never missed. The EX-S1 is a 1.3 megapixel camera, but we achieved even higher definition by increasing the size of the CCD cell to 1.4 times that of previous models.

Casio developed the EXILIM as a concept-inspired product to broaden the digital camera market by making cameras an integral part of peoples' daily lives.

¹ As of July 2003

Raising the Bar for the World's Most Accurate Wristwatch

The universal desire for measuring time gave rise to an enduring

history of timepiece technology from sundials to mechanical to quartz and finally then to digital watches. Despite spectacular advances, even in the digital age, it is said a person with two watches never knows exactly what time it is. However, now there is Casio's WAVE CEPTOR, a radio-controlled wristwatch that reads exactly the correct time, all the time, to the greatest limits of precision of which humankind is currently capable.

The WAVE CEPTOR implements a groundbreaking innovation in wristwatch technology that allows it to catch radio waves from a transmitting station that relays the standard time generated from cesium atomic clocks, which are the most accurate clocks in the world. The WAVE



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Greeting the Global Age with an Electronic Dictionary

In the 21st century, the need for international communication is already making English the lingua franca for businesspeople, tourists, and students. Portable bilingual electronic dictionaries have long catered to this need, providing the meanings for English words in Japanese and vice versa to meet the needs of the monolingual Japanese society.

Based on Casio's extensive on-site research into the student market to clearly determine and better satisfy their educational needs, Casio has developed a 23-volume dictionary. This consumer-oriented product includes a comprehensive language reference set to translate English and Japanese vocabulary, and also incorporates a full desk reference set and provides language assistance in other languages as well.

In addition to having a Japanese-English and English-Japanese dictionary,

this model incorporates a single-volume encyclopedia; the *Kojien* standard Japanese dictionary; a loan-word dictionary; a dictionary of international cuisine words and terms; a dictionary of English letter writing; phrasebooks for German, French, Italian, and Spanish; and many other reference books.

At less than 1cm thin, it is also the thinnest electronic dictionary on the market. In space-conscious Japan, this reference unit is so handy that people will want to use it even when they are at home because it is user-friendly and renders so many other chunky reference books obsolete.

“Creating the technology to compress such a huge quantity of information into such a small device and making it simple to use was the real challenge,” Ono said.

Casio also markets a model that offers bilingual Chinese-Japanese dictionaries, another that offers bilingual French-Japanese dictionaries, and a third that offers German-Japanese dictionaries.

Catering to overseas markets, we have also moved into South Korea with a local model that incorporates Korean-English dictionaries and in Germany a model that includes German-English dictionaries.

Through these efforts, Casio is going full throttle to create consumer value by catering to individual language needs and, in turn, contribute to the development of a truly global society.

Delivering Consumer Value

Machines are only useful to the extent that they save time, save energy, or improve the quality of life. At Casio, we strive to do all three, and do it in such a way that consumers are surprised by our ingenuity.

The go-anywhere digital camera the size of a credit card to ensure that every special moment can be captured, the ultimate wristwatch

with perfect precision that never needs to be wound or have its batteries replaced, and the compact multi-volume electronic dictionary are all outgrowths of the formidable goals we have set for ourselves at Casio to offer clear value to consumers.

Casio has given the world many products over the years—including calculators, digital watches, and digital cameras—in its tireless pursuit of satisfying consumer needs that now

play such an integral part of people's lives as to be taken for granted.

"It is only when consumers recognize that technology has real value that a hit product can be created. Consumer needs, marketing, development, engineering, and sales—all of these elements must be tied together," Ono said.

Casio will continue to astonish consumers through developing innovative technologies to discover those products consumers really want, even before they themselves might be aware of it, to offer the world true value.



As a result of the Company's pursuit of adding portability to study references, Casio has developed an electronic dictionary that, at 9.8mm, is the thinnest in the industry.