

Editorial Policy

The aim of this publication, CSR Report 2012, is to provide all of our stakeholders with a straightforward outline of the Citizen Group's business activities and the Group's approach and initiatives in relation to its social responsibilities. This report showcases the CSR activities in fiscal 2011 based on our guidelines for better fulfillment of our social responsibilities—the Citizen Group Code of Conduct—and through profiles of our employees. In the Special Feature, we describe the future approach of the Citizen Group as a corporation as tempered by the lessons of the Great East Japan Earthquake and outline our aid activities to disaster stricken areas. In addition, the report features employees from all over the world holding up cards answering the question "What does CSR mean to you?." This gives employees responsible for CSR a visible presence and creates a real feel for our approach to CSR, based on the participation of all employees.

Although designed to make the Citizen Group's CSR activities known to the general public, this report also serves as

a guide for every employee in the Group, to help them understand and carry out CSR activities.

Organizations covered in the report

Economic and social data: 31 domestic and 58 overseas companies (total 89)  
Environmental data: 22 domestic and 12 overseas companies (total 34)

Period covered by the report

Fiscal 2011 (April 1, 2011 to March 31, 2012)  
Some data from fiscal 2012 is also included.

Guidelines Referenced

Sustainability Reporting Guidelines 2006 (GRI)  
Environmental Reporting Guidelines 2012 (Ministry of the Environment, Japan)  
Environmental Accounting Guidelines 2005 (Ministry of the Environment, Japan)

Date of Publication

June 2012 (Previous report: June 2011/Next report: June 2013)

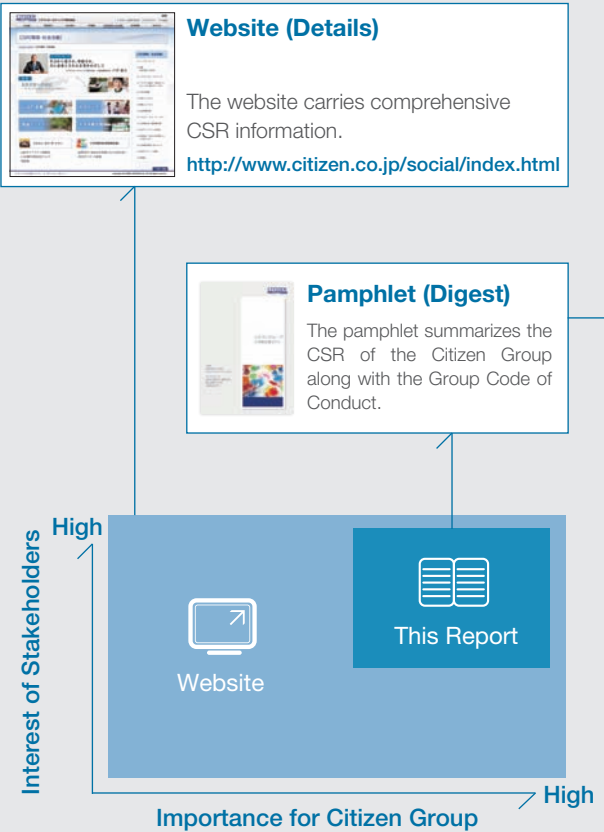
Disclaimer

This CSR report includes future projections based on the information available when the report was written. The actual results of activities documented may differ from such future projections.



**Front cover**  
The Citizen Group assists the ARTS for HOPE project which sponsors art programs for children in disaster stricken areas.

For details, see page 8.



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The Citizen Group

Harnessing world-leading compact, precision technology to continually offer true value and fulfill people's expectations and aspirations

With the corporate philosophy of "Contributing to and striving to be respected by the citizens of the world," the Citizen Group has been launching diverse businesses around the globe making use of the expertise in miniaturization, precision manufacture, and reduced power consumption built up in its watch division.

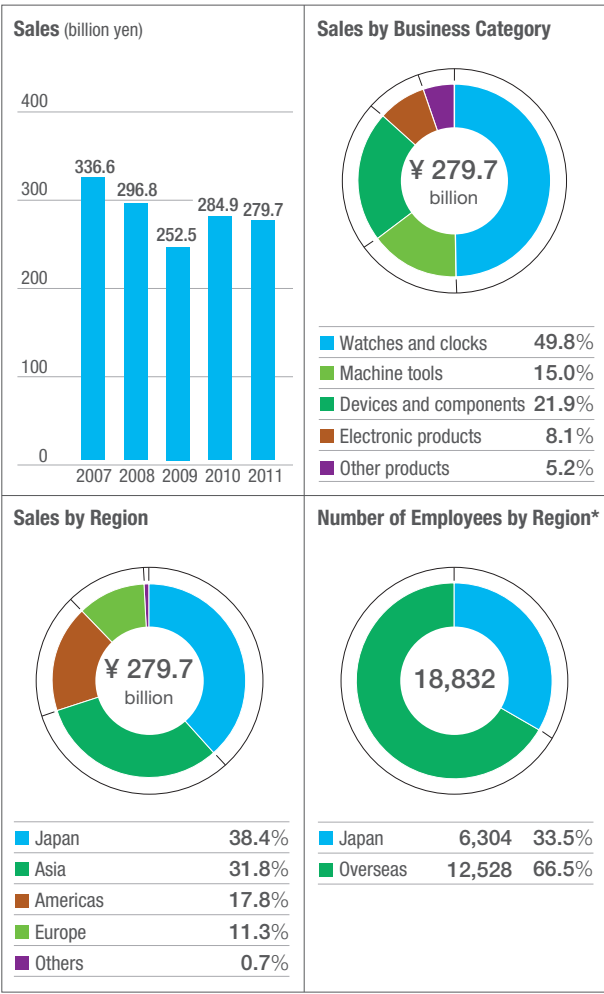
We are creating innovative new products based on the concept of "integration of technology and beauty" in our

watches, realizing high speed machining with micron level precision in our machine tools, providing the parts essential for downsizing, greater precision, and lower power consumption in our devices and components, and making the lives of citizens more convenient and comfort in our electronic products—Citizen's "Micro HumanTech" is alive in all of these businesses and products.

Corporate Profile

|                         |   |
|-------------------------|---|
| Name                    | Citizen Holdings Co., Ltd.                            |
| Establishment           | May 28, 1930  |
| Location of Head Office | 6-1-12 Tanashi-cho, Nishitokyo, Tokyo 188-8511, Japan |
| Representative          | Toshio Tokura, President and CEO                      |
| Capitalization          | ¥32.648 billion (as of March 31, 2012)                |
| Employees               | 23,725 (consolidated; as of March 31, 2012)           |
| Sales                   | ¥279.7 billion (consolidated; FY2011)                 |
| Listing                 | Tokyo Stock Exchange, 1st Section                     |

|   |  |   |
|---|--|---|
| <b>Watches and Clocks</b><br><br>Eco-Drive radio-controlled watch | <b>Machine Tools</b><br><br>NC automatic lathes                | <b>Electronic Products</b><br><br>Line thermal label printers |
|   | <b>Devices and Components</b><br><br>LED packages for lighting | <b>Other Products</b><br><br>Bridal jewelry                   |



\* From fiscal 2011, excluding number of part time employees