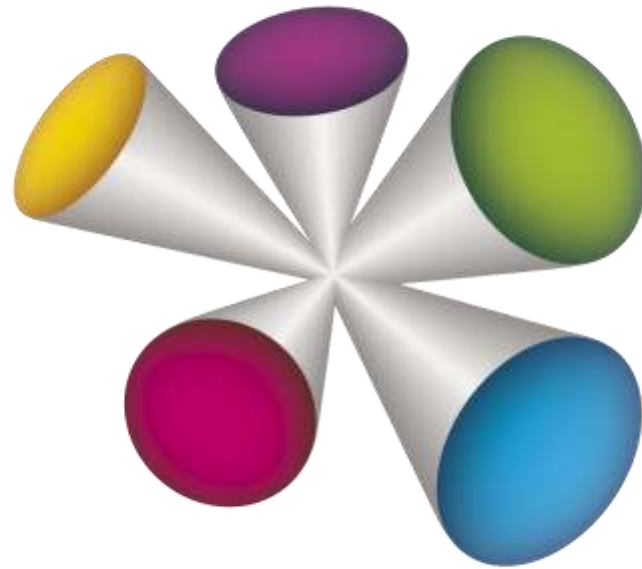


Business Report

FY25 Apr. 2007-Mar. 2008

Wacom Co., Ltd.

(TSE Sec.1 6727)



Contents

- FY07 Consolidated Summary
- Consolidated P/L
 - By Business Segments
 - Operating Expenses
 - Business Highlights
 - ESD Sales by Region and Product Line
- Consolidated B/S
- Consolidated C/F
- Business Focus on FY08
- Consolidated business results estimates
- Dividends per Share

FY07 Consolidated Result Summary

- Sales: +27.6%
 - ESD Business: +28.6%
 - ECS Business: -2.8%
- Operating Profit: +21.3%
 - ESD Business: +25.1%
 - ECS Business: -9.6%
- Recurring Profit: +20.3%
- Net Profit (aft. Tax): +22.7%

FY07 Consolidated Result Summary

- **Record sales and profit**
 - Sixth consecutive year since FY02
 - Tablet business in Asia were drive factors as well as US and EU
- **Development of a new corporate brand**
 - Released new business vision and brand concept
 - Integrated consumer graphics tablets into Bamboo brand, developed new series
- **Expand UI technology**
 - The acquisition of TouchKO added capacitive touch sensor technology
 - Enlarge component business integrating technologies of pen sensor and touch sensor

Consolidated P/L

(m¥)

	FY24	FY25	YoY Growth	
	'06/4-'07/3	'07/4-'08/3	Amount	Ratio
Sales	28,787	36,739	7,952	27.6%
Gross Profit	15,028	18,640	3,612	24.0%
GPM	52.2%	50.7%		
Operating Profit	4,565	5,539	974	21.3%
OPM	15.9%	15.1%		
Recurring Profit	4,638	5,581	943	20.3%
Net Profit aft. Tax	2,853	3,501	648	22.7%

• Average FX rates: FY24 JPY117.00/USD JPY150.33/EUR

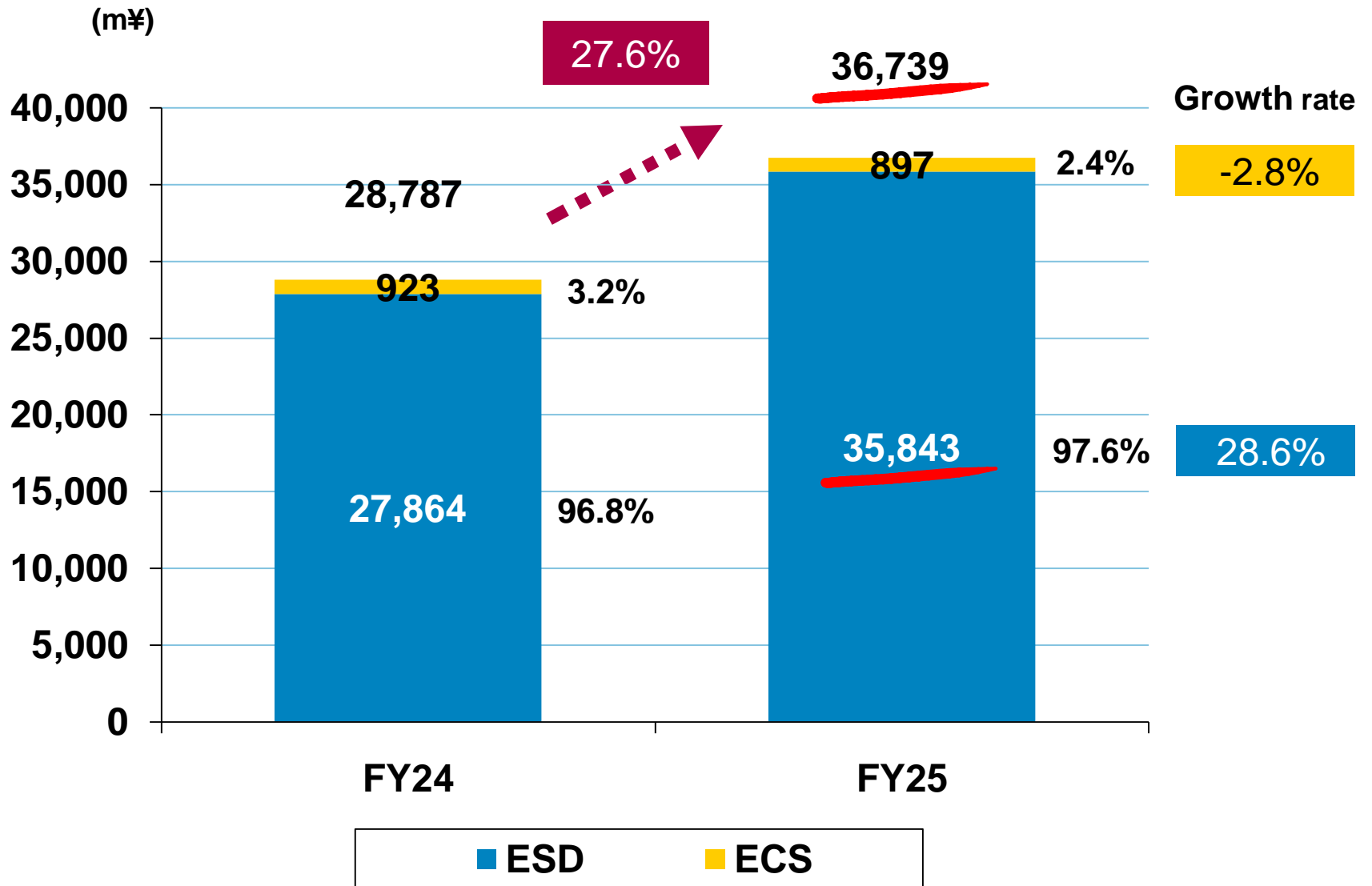
FY25 JPY114.13/USD JPY161.88/EUR ✓

Consol. P/L by Business Segment

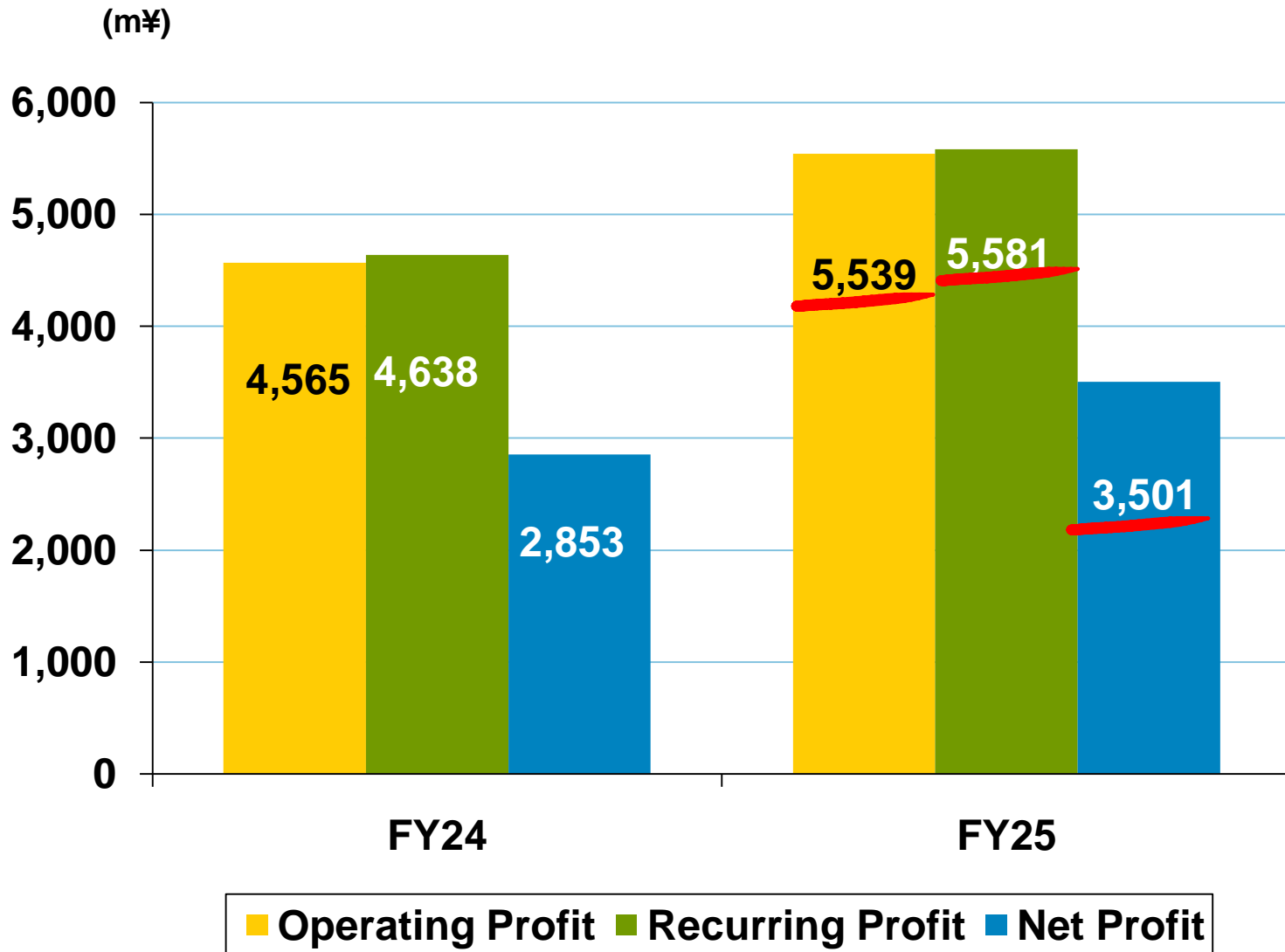
(m¥)

	FY24	FY25	YoY Growth	
	'06/4-'07/3	'07/4-'08/3	Amount	Ratio
Sales	28,787	36,739	7,952	27.6%
ESD	27,864	35,843	7,979	28.6%
ECS	923	897	△26	△2.8%
OP	4,565	5,539	974	21.3%
ESD	6,361	7,961	1,600	25.1%
ECS	154	140	△14	△9.6%
Corp. and Other	△1,951	△2,562	△611	31.3%
OPM	15.9%	15.1%		

Consolidated Sales Comparison



Consolidated Profit Comparison



Operating Expenses Comparison

(m¥)

	FY24	FY25	YoY Growth	
	'06/4-'07/3	'07/4-'08/3	Amount	Ratio
Personnel	4,118	4,750	632	15.4%
R&D	832	1,112	280	33.6%
Ad. & Promo.	1,943	2,640	697	35.9%
Other	3,569	4,599	1,030 ✓	28.8%
Total	10,463	13,101	2,638	25.2%

Main Increases

- Increase in employees headcount (Total employees +73, including +52 of SG&A staff) etc. End of FY total employees: FY24 511 ⇒ FY25 584
- R&D expenses for new products and new technology development
- Project expenses: Global branding, ✓ Patent infringement lawsuit, ✓ J-SOX project, NBD project etc.

Business Highlight -1

ESD

In spite of uncertain effects of soaring oil price, sub-prime loan and the rapid depreciation of the U.S. dollar, tablet business showed favorable growth globally and component business resumed expansion.

Tablet Business

- **Professional graphics tablet** + 18.1%

Stable shipment in US & EU, favorable growth in Asia ✓
Worldwide penetration of digital design

- **Consumer graphics tablet** + 28.5%

- Shipment favorable in US & EU more than 50% increase in Asia-Oceania, and resumed favorable shipment from Q2 in Japan ✓
- “Bamboo” won global design awards ✓
“reddot award” in Europe (May), “good design award” in Japan (Oct.)
“Bamboo” for business launched (May, Sep.)
“Bamboo” Fun for graphics launched (Sep.)
“Bamboo Comic” for illustration and comic launched (Nov.)



reddot design award
winner 2007



GOOD DESIGN
AWARD 2007

Business Highlight -2

- **LCD Tablet**

+ 32.5%

LCD panel supply shortage of 1H recovered, showed strong sales in 2H
“Cintiq12WX” released in Nov. has a favorable reception ✓
Favorable shipment in Asia-Oceania as well as in US and EU

- **Component Business**

+ 43.7%

Shipment for Tablet PC for Windows Vista models increased ✓
Module solution shipment, combining LCD panel with pen and touch sensors, increased for Lenovo and Gateway (Acer)
The acquisition of TouchKO added capacitive touch sensor technology to UI technology solutions (June)
HP Tablet PC for consumer(tx2005) adopted pen component ✓



HP Pavilion
Tx2005/CT

- **Others**

Acquisition of TouchKO (Austin, Texas, U.S.A.) (June) ✓
“ SignPad”(a signature verification terminal) was adopted ✓
by financial institutions
Berliner Sparkasse (bank in Germany) (Nov.)



SignPad

Business Highlight -3

ECS

- Focused marketing for new user development and replacement of competitive products with “ECAD/dio Ver.8.0”, newly released in Sep., for Windows Vista version and English OS as well as reinforcing security function
- Development of new products, “Project Man-hour Management System” and “Claim Information Management System” based on PDM for offering higher solution value

F&A (Corporate)

- Introduction of takeover defense plan with a change in Article of Incorporation (June)
- Added top executives of main oversea subsidiaries to Executive Officers at Wacom (June)
- Applied for Japan-Germany APA (Advance Pricing Agreement) (June) ✓
- Announcement of New business vision and Brand concept (Sep.) ✓
- Involved in patent infringement lawsuit as a plaintiff in China & U.S (The series entered settlement agreement on April, 2008) ✓

Business Highlight -4

New products released in FY25

ESD

Intuos3 A6wide size ,Special Edition

Bamboo series

Cintiq12WX

SignPad



intuos₃ PTZ-431W



intuos₃ Special Edition



BAMBOO™



BAMBOO™ FUN



BAMBOO™
ART MASTER



BAMBOO™ COMIC



Cintiq™ 12WX
interactive pen display

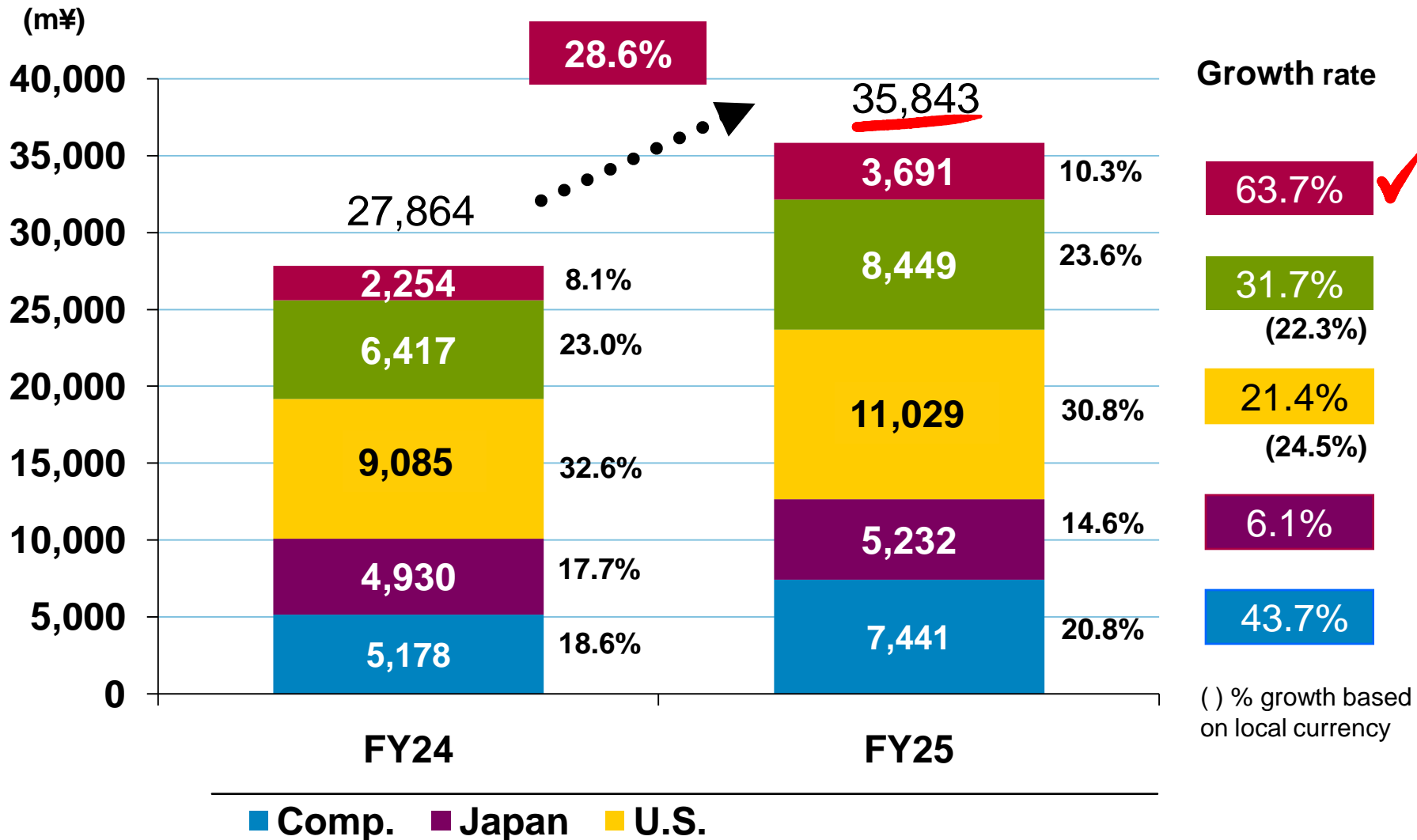


SignPad

ECS

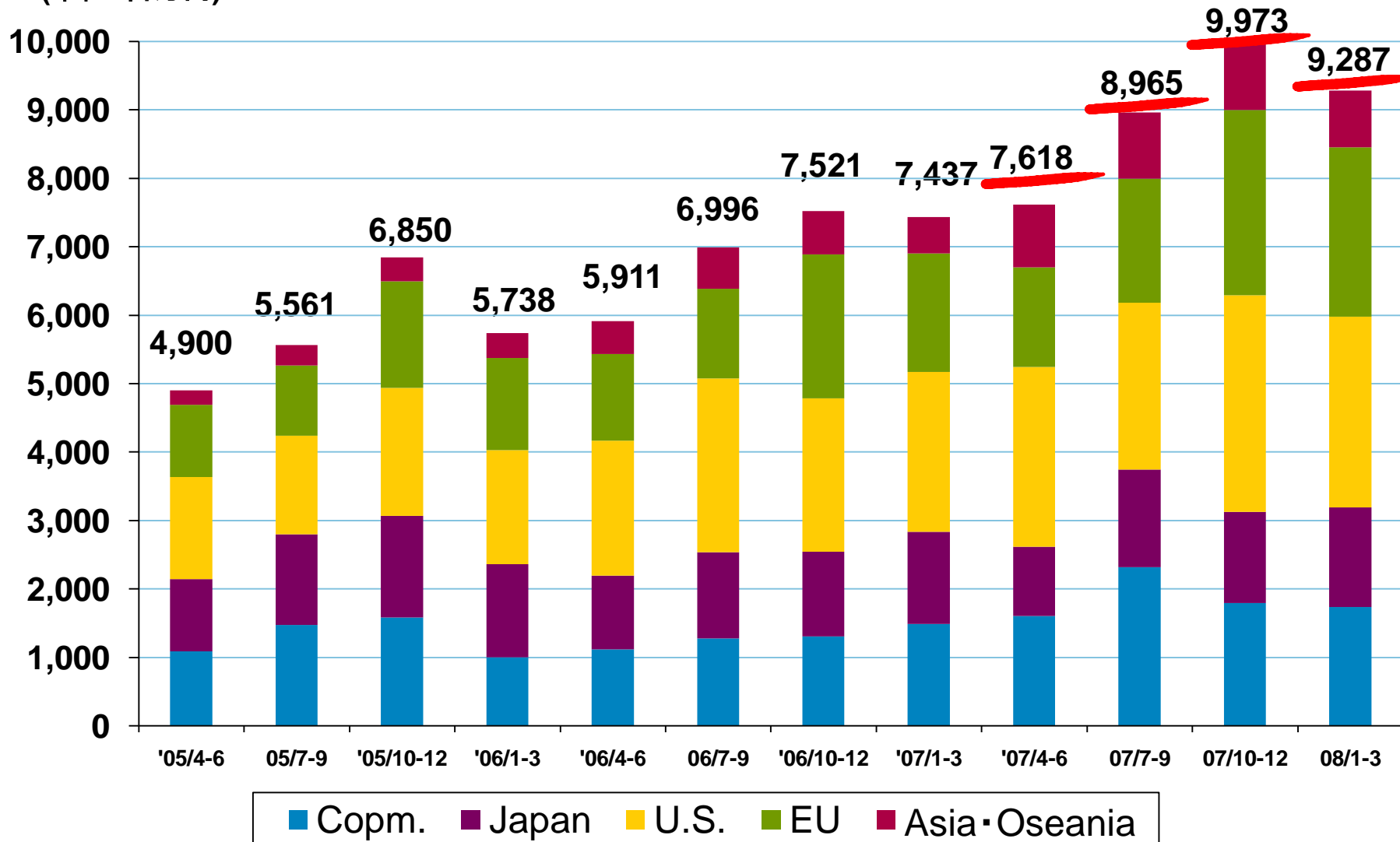
“ECAD®/dio Ver8.0” Design and development system for ENOVIA SmartTeam

ESD Sales by Region

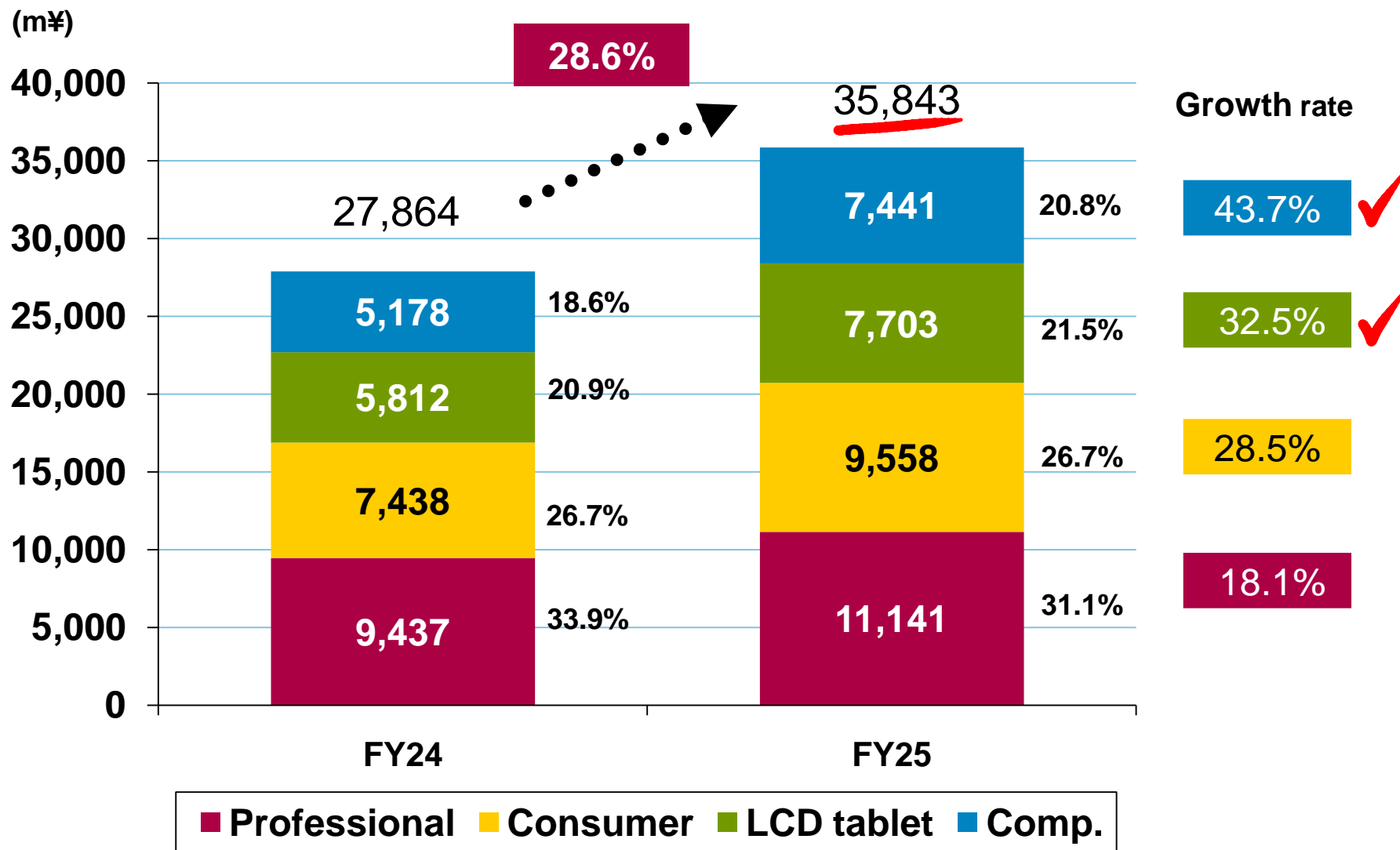


ESD Quarterly Trend by Region

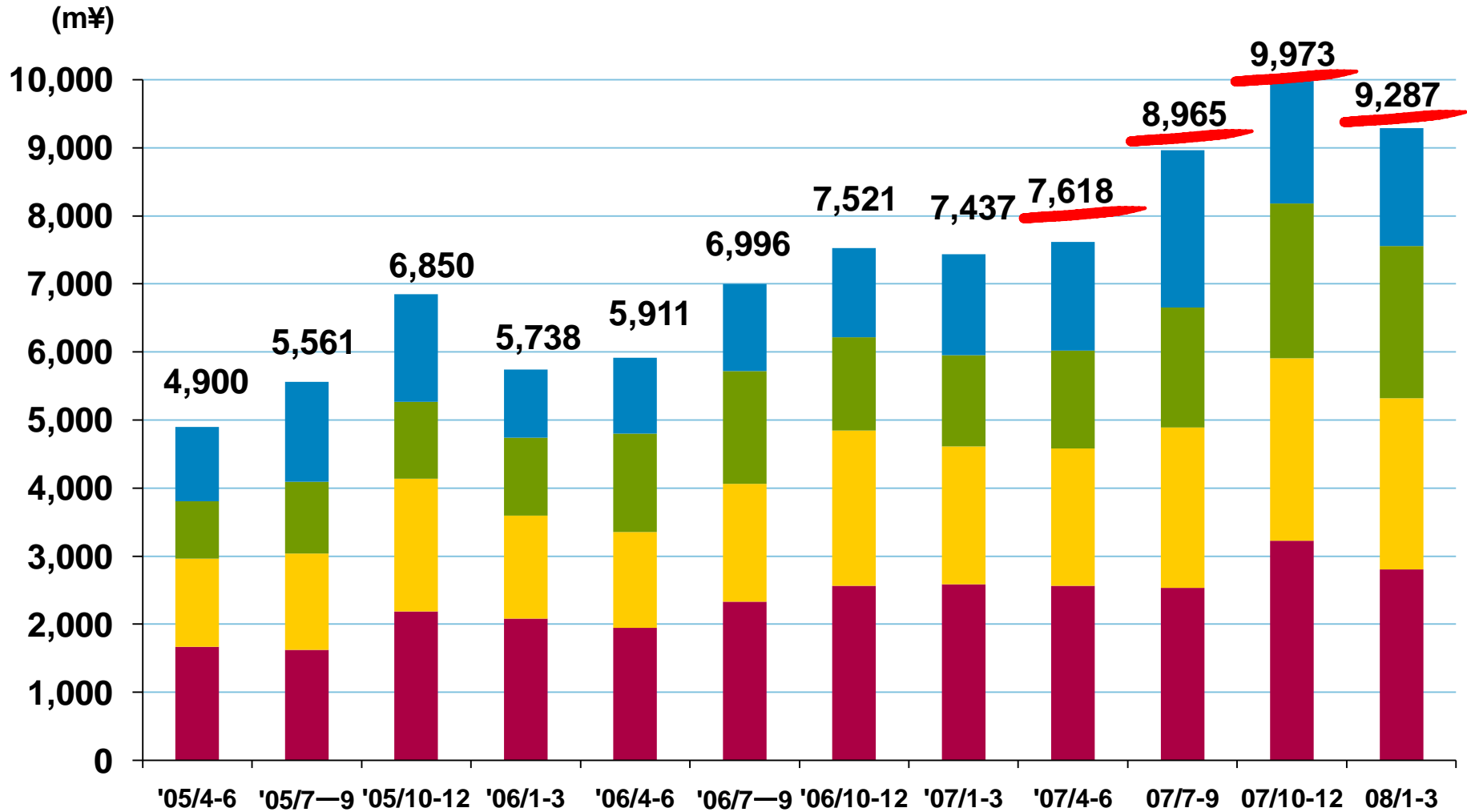
(単位:百万円)



ESD Sales by Product Line



ESD Quarterly Trend by Product Line



■ Professional
 ■ Consumer
 ■ LCD tablet
 ■ Comp.

Consolidated B/S

(m¥)

	Mar. 31, 2007	Mar. 31, 2008	Growth
Current assets	20,958	24,308	3,350
Fixed assets	4,194	4,913	719
Total assets	25,152	29,221	4,069
Current liabilities	8,170	9,711	1,541
Fixed liabilities	662	948	286
Total liabilities	8,832	10,660	1,827
Minority interest in consolidated subsidiaries	0	0	0
Net assets	16,320	18,562	2,242
Total liabilities and Net assets	25,152	29,221	4,069
Equity ratio	64.9%	63.5%	-1.4%
Book value per share (¥)	38,978.35	44,178.22	5,199.87

¥ 399m of increase in fixed assets relates to TouchKO purchase

Consolidated B/S Highlight

- Retained earnings: **+JPY2,873m** ✓
JPY7,981m(End of FY06) ⇒ JPY10,854m(End of FY07)
- Equity ratio: **-1.4 Pts** ✓
64.9%(End of FY06) ⇒ 63.5%(End of FY07)
- Book value per share: **+JPY5,200** ✓
JPY38,978 (End of FY06) ⇒ JPY44,178 (End of FY07)
- Increase in total asset with the expansion of business scale : **+JPY4,069m** ✓
JPY25,152m(End of FY06) ⇒ JPY29,221m(End of FY07)
Cash & Cash equivalents(including securities): +JPY1,371m
JPY12,707m (End of FY06) ⇒ JPY14,078m (End of FY07)
Inventories: +JPY1,252m
JPY2,122m (End of FY06) ⇒ JPY3,374m (End of FY07)
Other current assets (accrued revenue etc.): +JPY735m
JPY1,289m (End of FY06) ⇒ JPY2,024m(End of FY07)

Consolidated C/F

(m¥)

	FY24	FY25	YoY Growth
	'06/4- '07/3	'07/4- '08/3	Amount
C/F from operating activities	3,758	3,461	△297
C/F from investing activities	△323	△1,539	△1,215
C/F from financing activities	△1,229	△511	718
Effect of change in exchange rate	159	△541	△700
Increase of cash & cash equivalent	2,365	870	△1,494
Beginning balance of cash & cash equivalent	10,343	12,707	2,365
Ending balance of cash and cash equivalent	12,707	13,577	870

C/F from operating activities (m¥)

- Net profit before taxes 5,564
- Increase in notes and accounts receivable -619
- Increase in inventories -1,539
- Increase in notes and accounts payable, trade 1,994
- Payment for income tax -2,448

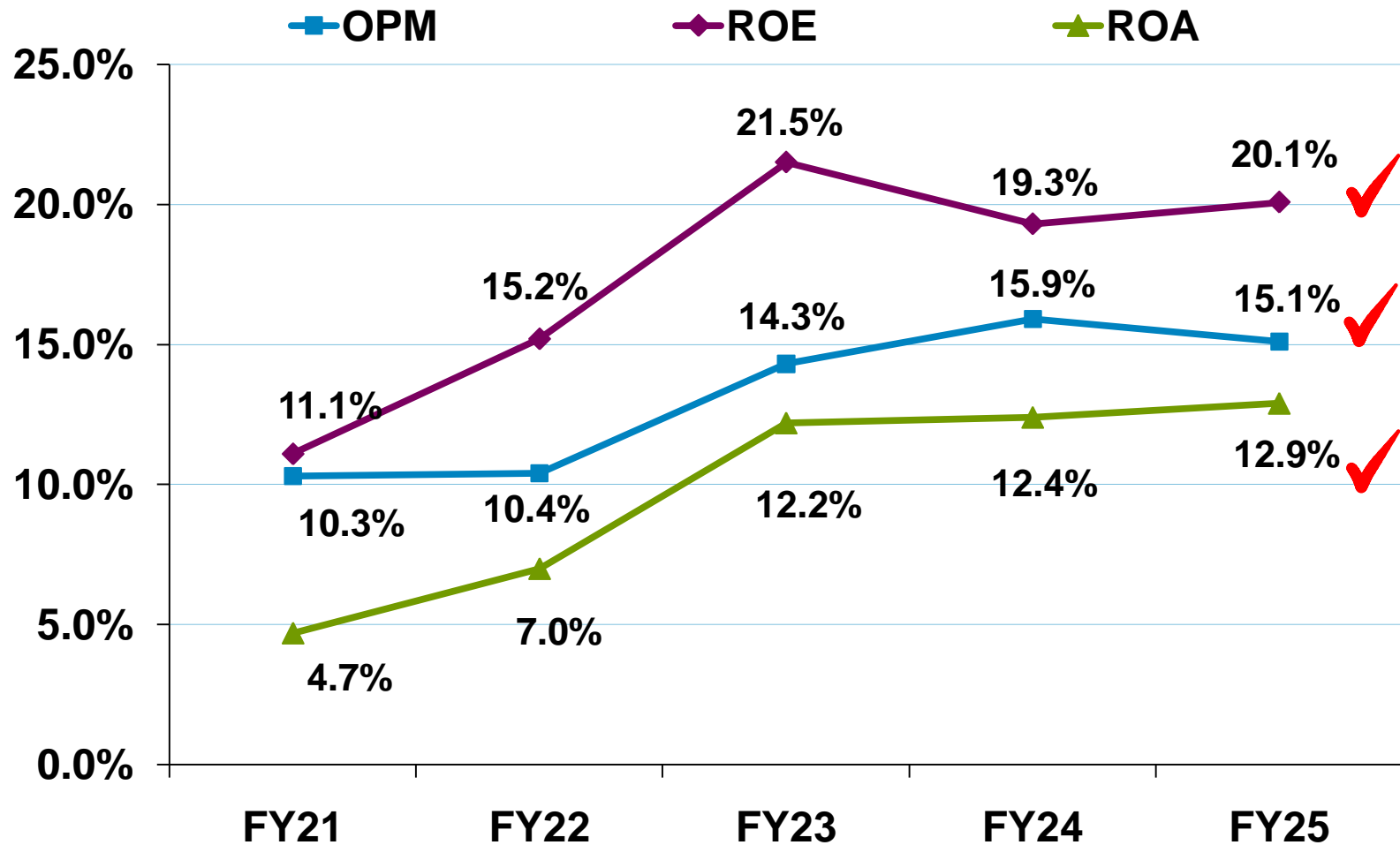
C/F from investing activities

- Acquisition of fixed asset (IT infrastructure, air conditioning, die) -608
- Acquisition of Investment Securities -500
- Acquisition of TouckO shares -420

C/F from financing activities

- Dividends payment -628

OPM, ROE & ROA (consolidated)



4.2B JPY was financed by public and private allotment in FY06

FY26 Business Focus -1

- **Promote and thorough compliance**

Ensure of J-SOX correspondence with internal control system for the launch year

- **Investment to support future growth**

New technology and product development, IT infrastructure, strong global organization

- **Improvement of “Wacom” brand and product brand value**

Promotion of global brand to strengthen global leadership

ESD business

- **Professional graphics tablet**

Launch and promotion of a new product to increase new users ✓

- **Consumer graphics tablet**

Promotion of pen tablets in “Vista & Office”, ensure of “Bamboo” brand ✓

- **LCD tablet**

Expansion of graphics users market with “Cintiq12WX” ✓

Promotion of new LCD tablets for vertical market

FY26 Business Focus -2

- Component business
 - Reinforcement of leadership in tablet PC market ✓
 - Launch of capacitive touchscreen technology ✓
 - Development of new markets for desk top PC and mobile applications
- R&D, NBD (New Business Development)
 - Development of next generation products ✓
 - Development of new product lines and new generation technologies
 - Launch of new product lines in new fields

ECS business

- Expansion of the market share in CAD market with ECAD/dio ✓
- Value added integration support to ECAD customer base

SCM-F&A (Corporate)

- Pursuit of internal control system in accordance with J-SOX, being ✓ effective in FY26
- Improvement of global SCM, and global IT infrastructure
- Enhancement and protection of IP assets

Forecast of business results for FY08

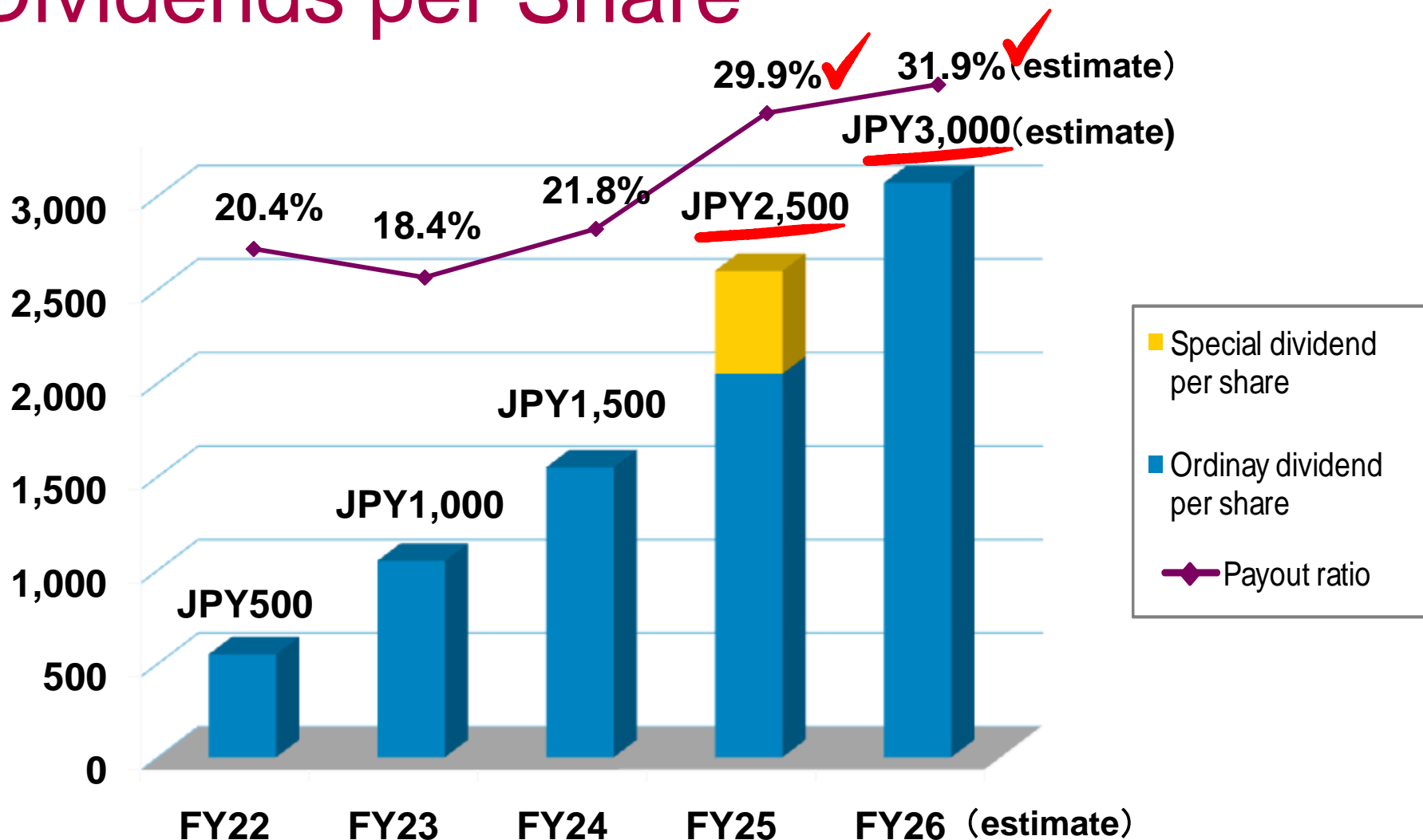
(m¥)

	FY25 1H		FY26 1H		YoY
	2007/4-9		2008/4-9		Growth rate
Sales	17,018		19,000		11.6%
OP	1,887	11.1%	2,150	11.3%	13.9%
RP	1,937	11.4%	2,130	11.2%	10.0%
NP	1,171	6.9%	1,350	7.1	15.2%

	FY25		FY26		YoY
	2007/4-2008/3		2008/4-2009/3		Growth rate
Sales	36,739		44,500		21.1%
OP	5,539	15.1%	6,500	14.6%	17.3%
RP	5,581	15.2%	6,450	14.5%	15.6%
NP	3,501	9.5%	3,950	8.9%	12.8%

- Average FX rates are assumed to be JPY100/USD, JPY155/EUR ✓

Dividends per Share

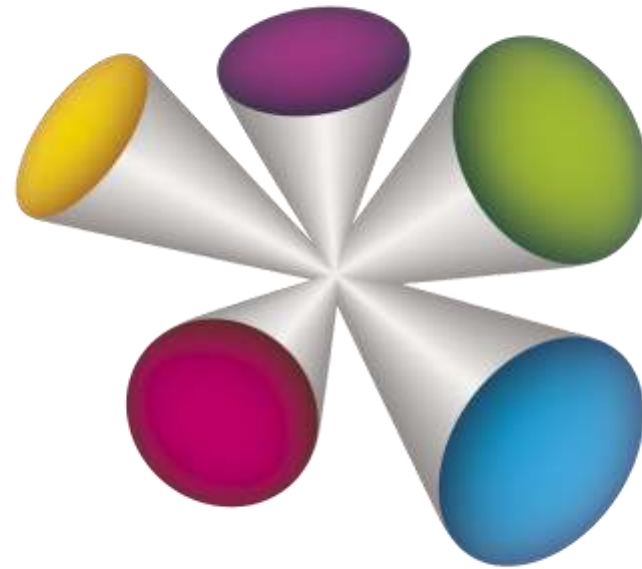


Common Shares Split

Nov. 2003 Split 5-for 1 basis Nov. 2005 Split 4-for 1 basis

Dividends before 22nd term is reflected in accordance with the share splits

Thank you.



Disclaimer

Forward-looking statements regarding future events and performance contained in this presentation are based on currently available information and involve risks and uncertainties, including macroeconomic conditions, trends of the industry in which the company is engaged, and progress in new technologies. Please note that actual results could materially differ from those expressed or implied by the forward-looking statements in this presentation due to these risks and uncertainties.

<http://www.wacom.co.jp/english/index.html>

Investor Relations Inquiries

IR Gr. Corporate Planning Dept. Wacom Co., Ltd.

TEL : 03-5309-1525 FAX : 03-5309-1503

Wacom Co., Ltd. Tokyo Office, Harmony Tower 18F,
1-32-2 Hon-Cho, Nakano-Ku, Tokyo 164-0012, Japan