

For reference (Translation in English)

April 27, 2011

Wacom Co., Ltd.

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## **Re: Stock Acquisition Rights for the Purpose of Granting Stock Options**

At a meeting held on April 27, 2011, the Board of Directors of Wacom resolved to propose an agenda asking for (i) the authorization to issue rights free of charge for Directors, Executive Officers, and employees etc. of Wacom and its affiliates to subscribe for or purchase shares of Wacom ("Stock Acquisition Rights") without consideration, for the purpose of granting stock options, (ii) the authorization to delegate to the Board of Directors the determination of the terms and conditions of the offering of such rights pursuant to Article 236, 238, and 239 of the Corporation Act of Japan. The proposal will be presented at its Ordinary General Shareholders' Meeting of Wacom ("28<sup>th</sup> Shareholders' Meeting") to be held on June 23, 2011.

1. Reason for recruiting persons accepting Stock Acquisition Rights with especially advantageous terms

Wacom will issue Stock Acquisition Rights to Directors, Executive Officers, and employees, etc. of Wacom and its affiliates in order to enhance enthusiasm and raise morale for improving business performance and thereby contribute to strengthening Wacom's international competitiveness.

2. Summary of Terms of Issuance of Stock Acquisition Rights

(1) Grantees of the Stock Acquisition Rights

Directors, Executive Officers and employees, etc. of Wacom and its affiliates.

(2) Type and Number of Shares to be Issued or Transferred upon Exercise of Stock Acquisition Rights. Up to 5,000 shares (450 of them to be allotted to Wacom Directors) of common stock of Wacom.

If Wacom splits or consolidates its shares, the number of shares (the "Number of Shares Granted") to be transferred upon exercise shall be adjusted according to the following formula. This adjustment is applied only to the stock numbers to be transferred upon exercise of each Stock Acquisition Right of total stock acquisition rights, and any fraction less than one (1) share arising therefrom shall be rounded down to zero (0) share.

Number of Shares to be Granted after adjustment	=	Number of Shares to be Granted before adjustment	x	Ratio of split (or consolidation) of shares
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When an unavoidable reason to adjust the number of Shares Granted is caused, for instance Stock Acquisition Right is succeeded when Wacom is absorbed or newly consolidated by other companies, or when Wacom establishes new divisions or closes divisions, the company adjusts the number of stocks within the reasonable range.

(3) Total Number of Stock Acquisition Rights. Up to 5,000 (450 of them to be allotted to Wacom Directors)

(The number of common shares to be issued or transferred upon exercise of each Stock Acquisition Right shall be 1. However, if the number of stocks is adjusted according to the mentioned preceding clause (2), the same adjustment is to be done.

(4) Amount Paid for Issuance of Stock Acquisition Rights

No monetary payment shall be required for Stock Acquisition Rights.

(5) Amount of Assets to be paid upon Exercise of Stock Acquisition Rights (Exercise Price)

The amount of assets to be paid upon exercise of each Stock Acquisition Right concerned shall be the amount obtained by multiplying the amount to be paid per share issued or transferred upon exercise of Stock Acquisition Rights (the "Exercise Price") by the Number of Shares to be granted. The Exercise Price shall be as follows.

The amount obtained by multiplying the closing price of Wacom's common stock in regular trading on the Tokyo Stock Exchange on the Allotment Date (if there is no transaction made on that day, then the closing price of the latest date prior to the Allotment Date on which a transaction was made) by 1.025, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.

In addition, the Exercise Price shall be adjusted as follows:

If Wacom splits or consolidates its shares after the Allotment Date, the Exercise Price shall be adjusted according to the following formula, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of split (or consolidation) of shares}}$$

Besides the above-mentioned, the Exercise Price shall be adjusted by the resolution of the board of directors within the reasonable range, if Wacom merges with other companies, is divided, reduces capital, or meets other cases that require adjustment of the Exercise Price after the day of the allocation.

(6) Exercise Period of the Stock Acquisition Rights

For three (3) years from the day that passes two (2) years from the day of assignment of Stock Acquisition Rights

(7) Conditions of Exercise of Stock Acquisition Rights

- ① Each Stock Acquisition Right may not be partially exercised.
- ② The grantees of the Stock Acquisition Rights must be a Director, a Executive Officer or an employee, etc. of Wacom or its affiliate to which he or she belongs, at the time such rights are granted.
- ③ The Stock Acquisition Rights may lose effects immediately, when the grantee loses his or her position as a Director, Executive Officer or an employee, etc. of Wacom or its affiliates.
- ④ Stock Acquisition Rights may not be inherited.
- ⑤ When the grantees abandon the Stock Acquisition Rights, they cannot exercise their Stock Acquisition Rights concerned.

(8) Events and Conditions of Acquisition of Stock Acquisition Rights by Wacom

Stock Acquisition Rights may be acquired by Wacom without consideration, on a date that shall be provided by the Board of Directors, if a proposal on a merger agreement in which Wacom will be dissolved, a proposal on absorption-type split agreement or incorporation-type company split plan by which Wacom will be a split company, or a proposal on a share exchange agreement or a share transfer plan by which Wacom will become a wholly-owned subsidiary of another company is approved at an Ordinary General Shareholders' Meeting.

(9) Restriction on Transfer of Stock Acquisition Rights

Transfer of Stock Acquisition Rights shall be subject to approval of the Board of Directors.

(10) Matters concerning the Paid-in Capital and Capital Reserve to be Increased due to the Issuance of Shares upon Exercise of Stock Acquisition Rights

① Amount of paid-in capital to be increased due to the issuance of shares upon exercise of the Stock Acquisition Rights shall be half of the maximum amount of paid-in capital increase and others which is calculated in accordance with Article 17, Paragraph 1 of the Corporation Accounting Regulations, and any fraction less than one (1) yen arising therefrom shall be rounded up to the nearest one (1) yen.

② Amount of capital reserve to be increased due to the issuance of shares upon exercise of the Stock Acquisition Rights shall be an amount determined by subtracting the amount of paid-in capital to be increased provided in the immediately preceding paragraph ① from the maximum amount of increase in paid-in capital set forth in the immediately preceding paragraph ①

(11) Agreement on fraction that less than one (1) share when Stock Acquisition Rights are exercised

In case where the number of shares to be issued or transferred to the holders of the Stock Acquisition Rights includes any fraction less than one (1) share, such fraction shall be rounded down.

(12) Calculation Method of the Fair Value of Stock Acquisition Rights

The fair value of each Stock Acquisition Rights shall be calculated by using the Black-Scholes model based on the various conditions of Wacom's Stock Price and Exercise Price, etc. on the Allotment Date.

Concluded