

FY11 2Q Summary of Consolidated Financial Results

October 27, 2011

Company Name **Wacom Co., Ltd.**

(Code Number: 6727 TSE1)

(URL <http://wacom.jp/en/company/outline>)

Representative: Masahiko Yamada, CEO

TEL: 03-5309-1500

Contact: Wataru Hasegawa, CFO

Preparation of Supplemental Explanatory Material for Financial Results: Yes

Holding of Large Meeting for Financial Results: Yes

1. FY11 Consolidated Financial Results (April 1, 2011 – September 30, 2011)

(1) Business Performance (Consolidated)

(rounded off to mY)

	Sales		Operating Profit		Recurring Profit		Net Profit	
	mY	%	mY	%	mY	%	mY	%
FY11 2Q	16,051	(0.8)	892	(-24.0)	890	(-33.5)	542	(-37.6)
FY10 2Q	15,923	(10.0)	1,174	(2.2)	1,339	(8.2)	869	(7.4)

(Note) Comprehensive income FY11 2Q -112mY (---%) FY10 2Q 230mY (--- %)

	Net Profit per Share Outstanding		Net Profit per Diluted Share Outstanding	
	Yen	Sen	Yen	Sen
FY11 2Q	1,351.23		1,349.05	
FY10	2,161.89		2,157.56	

(2) Financial Position (Consolidated)

	Total Assets		Net Assets		Equity Ratio	
	mY	%	mY	%	mY	%
FY11 2Q	27,239		16,757		61.3	
FY10 2Q	27,094		18,482		68.1	

(For Reference) Net Assets FY11 2Q 16,698mY FY10 2Q 18,450mY

2. Dividend

(Record date)	Dividend Per Share				
	1Q	2Q	3Q	End of FY	FY Total
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen
FY10	-	0.00	-	3,000.00	3,000.00
FY11	-	0.00			
FY11 (estimates)			-	3,000.00	3,000.00

3. Consolidated Business Forecasts of FY11 (April 1, 2011 – March 31, 2012)

	Sales		Operating Profit		Recurring Profit		Net Profit		Net Profit per Share Outstanding	
	mY	%	mY	%	mY	%	mY	%	Yen	Sen
Full Year	36,500	(10.5)	3,700	(13.8)	3,650	(8.5)	2,340	(19.0)	5,892.78	

Changes in Consolidated Business Forecasts of FY11 : No

4. Other

- 1) Reclassification of significant subsidiaries during the period (Reclassification due to the change in scope of consolidation) : No
- 2) Adoption of special accounting policies for quarterly financial statements : Yes
- 3) Changes in accounting principles, procedures and methods of presentation in consolidated financial statements
 - Changes resulting from revisions in accounting standards : Yes
 - Changes other than those above : Yes
 - Changes resulting from accounting estimates : No
 - Changes resulting from restatements : No
- 4) Numbers of shares outstanding (Common stock)

Number of shares outstanding at end of year (including treasury stock):

	Shares		Shares
FY11 2Q	422,096	FY10	421,816

Number of treasury stock outstanding at end of year:

	Shares		Shares
FY11 2Q	25,000	FY10	20,000

Number of average shares for fiscal period (total in quarter):

	Shares		Shares
FY11 2Q	400,918	FY10 2Q	401,816

* Regarding the implementation of quarterly review procedures

These financial results are not subject to review procedures. Thus, at the time of disclosure of these financial results, the financial statement review procedures based on "Financial Instruments and Exchange Law" have not been completed.

* Forward-looking statements regarding future events and performance contained in this presentation are based on currently available information and involve risks and uncertainties. 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.

(Accompanying data)

Consolidated Balance Sheet (Summary), Consolidated Profit and Loss Statement (Summary), Consolidated Statement of Changes in Shareholder's Equity, Consolidated Cash Flow Statement (Summary), Segment Information (Summary), and Complementary Information

[Qualitative news and financial statements]

〈Qualitative news for consolidated business performance〉

Wacom Group's business environment for FY11 2Q (from April 1, 2011 to September 30, 2011) showed a sharp recovery from a drop in the domestic economy and the stagnation of production activities due to the Great East Japan earthquake. On the other hand, the uncertain economic outlook in major industrial countries increased because of the credit crunch in EU which was due to the Greek financial crisis. Emerging markets including China and India also faced inflation among other problems and showed a slow pace in growth while maintaining rapid development. As for exchange rates, the substantial appreciation of the Japanese yen against the U.S. dollar was recognized compared to the same period last year. In the IT field smart phones and tablet-type devices are growing rapidly as new IT platforms. PC manufacturers and handset makers have strived to expand their product lines to secure good positions in the new markets.

In our Professional Products market, productivity improvements in digital imaging as well as requirements for advanced expressiveness have become critical needs for our customers. This is in part owing to a growing trend of 3D in the film and games industries and the general spread of digital design globally. Also in Asian regions governments have been actively engaged in developing local digital content industries.

In our Consumer Products market, the use of pen functionalities to communicate on social networks such as Facebook showed expansion in addition to the common use of expressive pen interaction for the creation of illustrations, photo retouching and web design. The spread of tablet-type devices also caused new demand for the natural feel of handwriting input.

In our Business Products market of healthcare, education and finance, businesses continue to adopt our LCD tablets in accordance with growing needs for more highly secured and paperless processes. In particular, certification solutions using a digital pen for signing digital settlements have been attracting attention in business markets for improved personal information management, efficient transactions and paperless processes for cost reduction in document storage.

Moreover, in our Components market, as well as our existing Tablet PC markets for Windows OS, smart phones, tablet-type devices, and e-Book devices running on Google's Android OS are raising new demand for pen and touch technologies.

Under the conditions described above, Wacom strived for an increase in sales with aggressive marketing activities, improved business operations in each business, cost management and the expansion of our product lineup in new fields such as table-type devices. As a result, sales achieved a slight increase compared to the same period of the previous fiscal year. However, operating profit and net profit decreased due to proactive costs including R&D expenses for new products and labor cost.

The Tablet Business focused on the risk management of parts supplies coming from the Earthquake affected regions and the development and launch of new products. In May the business released a stylus pen “Bamboo Stylus” for Apple’s range of iPads to achieve natural drawing and handwriting. It recorded sales of more than expected thanks to the Company's strong brand recognition for the electronic pen and its ease of use. In September, Wacom unveiled the top-end model of its LCD tablets, “Cintiq 24HD” for the professional and also launched the third generation consumer tablet “Bamboo series” with more sophisticated multi-touch interfaces. Both products gained a high reputation in their markets. Furthermore, in the business field, Wacom won a large order of signature tablets for digital signature certification.

For the Component business, it not only continued to strengthen production of its multi-touch sensor system and made efforts to improve the profitability of its business but also strived to expand the business on tablet-type devices and eBook devices.

For Plant and Equipment investments, Wacom continued to develop its global IT infrastructure which helps increase productivity and supports future growth. Its new ERP system cut over in August and runs smoothly.

On the other hand, the Company decided to secede from the pension fund, anticipating approximately ¥131 million as a supplemental cost in extraordinary losses. As a result, the consolidated FY11 2Q business results ended in sales of ¥16.05bn (+0.8% YoY), operating profit of ¥0.89bn (-24.0% YoY), recurring profit of ¥0.89bn (-33.5% YoY), and net profit of ¥0.54bn (-34.6% YoY).

The product lines of the Tablet Business are now reorganized into the three new categories of “Professional Products”, “Consumer Products”, and “Business Products” in use from FY11 1Q. As a result, “Cintiq series” which was included in “LCD tablets” for the professional graphics market is now reclassified into “Professional Products” and some products for the education market which were originally included in “Consumer tablets” are now reclassified into “Business Products”.

(Business Segment Performance)

1) Tablet business

For the Tablet business, sales slightly decreased due to the significant fluctuations of the exchange rate despite positive factors such as the improvement of the product supply chain problem and the release of new products. For the Professional Products, the sales of "Intuos 4" was sluggish. However, "Cintiq 21UX" LCD tablet showed improvement of the product supply chain problems due to the shortage of key components since FY10. "Cintiq 24HD" released in September also received a high reputation. As a whole, the sales of Professional Products maintained similar levels to the previous fiscal year. With regard to Consumer Products, sales showed favorable growth owing to the strong sales of the "Bamboo Stylus" pen for iPad, launched in May as well as a good reputation for "Bamboo" new series in the market. We also launched new solutions such as download services of "Bamboo Paper" which is available as a free hand-writing software application for the Apple iPad. For Business Products, sales decreased due to the sluggish sale of products for vertical markets in the U. S. compared to the same period for the previous fiscal year and despite the sales increase in the "STU" series for digital signature certification.

Geographically in the U.S., sales decreased due to the end of the sales contracts in some OEM product lines and the fluctuation of the exchange rate for the same period of the previous fiscal year. In EU, as a whole, sales recorded favorable increase owing to winning an order of a large amount of Business products. In Japan for Professional Products, sales were sluggish though Business Products expanded its sales in the medical field. In Asia and Oceania as a whole, sales remained with slight growth due to the fluctuation of exchange rates and despite the increase of sales volume.

As a result, the Tablet business FY11 2Q sales ended at ¥12.05bn (-2.2% YoY), and operating profit was ¥1.70bn (-27.4% YoY).

2) Component business

Regarding the Component business, sales of pen and multi-touch sensor components favorably increased owing to the sales growth of Tablet PCs by major PC manufacturers. Shipments for tablet-type devices on Windows OS and e-Books based on the Android OS also expanded and yield also showed improvement. The Business as a result, turned positive in income.

As a result, the component business FY11 2Q sales ended at ¥3.75bn (+10.6% YoY) and operating income was ¥0.2bn (operating loss ¥0.1bn FY10 2Q).

3) Other businesses

The Software business showed favorable sales growth owing to improvements in efficiency and strengthening of partnerships with major distributors as well as the promotion of replacement and acquisition of new projects by the "ECAD" product. In September, "ECAD dio 2012" which is an enhanced new version for large-scale design, was released.

As a result, other businesses FY11 2Q sales ended at ¥0.25bn (+15.7% YoY), and operating income was ¥60mn (operating loss ¥73mn FY10 2Q).

〈Qualitative news for consolidated financial position〉

1. Assets, Liabilities, and Net Assets

Total assets increased by ¥0.15bn to ¥27.24bn in FY11 2Q compared to the end of FY10. The main reasons were a ¥0.73bn increase in notes and accounts receivable and a ¥0.57bn increase in other current assets due to the increase of materials supplied to manufacturers at cost for launching new products, and a ¥0.18bn increase in other intangible fixed assets due to the structuring of the enterprise resource planning systems. The main reason for the decrease was a ¥1.34bn in cash and cash equivalents by a payment of shareholders' dividends and the reduction of cash and deposits converted by the appreciation of the Japanese yen.

Total liabilities increased by ¥1.87bn to ¥10.48bn in FY11 2Q compared with the end of FY10. The main reasons for the increase were a ¥1.66bn in notes and accounts payable.

Total net assets decreased by ¥1.72bn to ¥16.76bn. The main reason for the decrease was a ¥1.21bn payment of shareholders' dividends and a ¥0.65bn change in foreign currency translation adjustments due to the appreciation of the Japanese yen.

2. Cash Flow

Consolidated cash & cash equivalents for FY11 2Q decreased by ¥1.34bn compared to the end of FY10 (¥2.54bn decrease in FY10 2Q) to ¥9.12bn in FY11 2Q.

(Cash Flow from Operating Activities)

Earned operating cash flow gained for FY11 2Q was ¥1.36bn (¥0.48bn expended in FY10 2Q).

The main reasons for the increase were a ¥0.74bn in the sum of NPBT and a ¥1.94bn increase in accounts payable, despite a ¥1.44bn increase in account

receivable.

(Cash Flow from Investing Activities)

Investing cash flow expended for FY11 2Q was ¥0.7bn. (¥0.58bn expended in FY10 2Q) The main reason was the increase of purchases of molds and a ERP system of ¥0.7bn in fixed assets.

(Cash Flow from Financing Activities)

Financing cash flow expended for FY11 2Q was ¥1.63bn. (¥1.2bn expended in FY10 2Q) The reason was a ¥1.2bn payment of shareholders' dividends and a repurchase of own shares of ¥0.44bn.

〈Qualitative news on the forecast of consolidated results〉

Wacom revised its assumption of the average exchange rate from ¥82.5 per 1 U.S. dollar and ¥120 per 1 Euro to ¥80.0 per 1 U.S. dollar and ¥110.0 per 1 Euro since FY11 2Q starting from 1st July. However, considering the recent situation of the foreign exchange rate, Wacom decided to revise its assumption of the average exchange rate from ¥80 per 1 U.S. dollar and ¥110 per 1 Euro to ¥77 per 1 U.S. dollar and ¥105 per 1 Euro since FY11 3Q starting from 1st October again. The Company has not revised its full-financial-year forecasts of the consolidated result released on April 27, 2011

(Accompanying data)

1. Summary of Consolidated Balance Sheet

(Unit: '000 Yen)

Subject	FY10 (as of Mar. 31, 2010)	FY11 2Q (as of Sep. 30, 2011)
	Amount	Amount
(Assets)		
Current Assets		
1. Cash and cash equivalents	10,454,820	9,118,389
2. Notes and accounts receivable	4,216,958	4,944,063
3. Merchandise and Finished Products	2,876,770	2,919,136
4. Work in process	183,468	245,556
5. Raw Materials and Supplies	709,995	688,873
6. Others	2,524,036	3,089,342
7. Allowance for doubtful accounts	-16,335	-11,581
Total Current Assets	20,949,712	20,993,778
Fixed Assets		
1. Tangible fixed assets		
(1) Buildings and facilities (net amount)	1,617,544	1,552,953
(2) Others (net amount)	2,017,735	2,023,010
Total tangible fixed assets	3,635,279	3,575,963
2. Intangible fixed assets		
(1) Goodwill	68,554	57,730
(2) Others	2,174,826	2,357,325
Total intangible fixed assets	2,243,380	2,415,055
3. Investment and other assets		
(1) Others	281,731	270,513
(2) Allowance for doubtful accounts	-16,599	-15,993
Total investment and other assets	265,132	254,520
Total Fixed assets	6,143,791	6,245,538
Total Assets	27,093,503	27,239,316

(Unit: '000 Yen)

Subject	FY10 (as of Mar. 31, 2010)	FY11 2Q (as of Sep. 30, 2011)
	Amount	Amount
(Liabilities)		
Current Liabilities		
1. Notes and accounts payable	3,994,330	5,657,180
2. Short-term debt	600,000	600,000
3. Accrued income taxes	221,326	299,418
4. Provision for bonuses	274,987	363,948
5. Provision for director's bonuses	30,254	27,669
6. Provision for Loss on disaster	197,212	179,656
7. Provision for loss on business liquidation	25,403	9,056
8. Provision for Loss on Withdrawal from employees' pension fund	—	131,175
9. Others	2,241,020	2,236,195
Total Current Liabilities	7,584,532	9,504,297
Fixed Liabilities		
1. Provision for retirement benefits	479,117	468,409
2. Asset Retirement Obligations	48,596	48,772
3. Others	499,312	460,670
Total Fixed Liabilities	1,027,025	977,851
Total Liabilities	8,611,557	10,482,148
(Net Assets)		
Shareholders' Equity		
1. Capital Stock	4,196,405	4,198,877
2. Capital Surplus	4,037,819	4,040,291
3. Retained earnings	13,800,300	13,136,584
4. Treasury stock	-1,848,486	-2,287,245
Total Shareholders' Equity	20,186,038	19,088,507
Accumulated Comprehensive Income		
Foreign currency translation adjustments	-1,736,009	-2,390,121
Total Accumulated Comprehensive Income	-1,736,009	-2,390,121
Subscription rights to shares	31,917	58,782
Total Net Assets	18,481,946	16,757,168
Total Liabilities & Net Assets	27,093,503	27,239,316

2. Consolidated Profit & Loss Statement

(Unit: '000 Yen)

Subject	FY10 2Q (Apr. 1, 2010 to Sep. 30, 2010)	FY11 2Q (Apr. 1, 2011 to Sep. 30, 2011)
	Amount	Amount
Sales	15,922,786	16,050,748
Cost of Goods Sold	8,547,944	8,693,140
Gross Profit	7,374,842	7,357,608
Selling, General and Administrative Expenses	6,200,421	6,465,599
Operating Profit	1,174,421	892,009
Non-operating Revenue		
1. Interest and dividend income	70,659	8,497
2. Foreign exchange gains	41,255	—
3. Refund of value-added taxes of overseas subsidiaries	49,534	—
4. Others	10,128	14,016
Sub Total	171,576	22,513
Non-operating Expense		
1. Interest cost	5,574	3,904
2. Foreign Exchange Losses	—	17,377
3 Others	1,276	2,895
Sub Total	6,850	24,176
Recurring Profit	1,339,147	890,346
Extraordinary Gain		
1. Gain on sales of fixed assets	857	354
2.Reversal of allowance for doubtful accounts	6,511	—
Sub Total	7,368	354
Extraordinary Loss		
1. Loss on Sales of Fixed Assets	118	1,181
2. Loss on Disposal of Fixed Assets	8,380	794
3. Loss on Write-down of Investment Securities	20,000	—
4. Loss on Adjustment for changes of Accounting Standard for Asset Retirement Obligations	28,578	—
5. Settlement Package	21,113	—
6. Loss on Withdrawal from Employees' Pension Fund	—	131,175
7.Others	—	18,683
Sub Total	78,189	151,833
Net Profit before Taxes and Other Adjustments	1,268,326	738,867
Total of Income Tax, Inhabitant Tax and Enterprise Tax	399,643	197,135
Net Profit before Minority Interests Adjustments	868,683	541,732
Net Profit	868,683	541,732

Consolidated Comprehensive Income Statement

(Unit: '000 Yen)

Subject	FY10 2Q (Apr. 1, 2010 to Sep. 30, 2010)	FY11 2Q (Apr. 1, 2011 to Sep. 30, 2011)
	Amount	Amount
Income before minority interests	868,683	541,732
Other comprehensive income		
Foreign currency translation adjustment	-639,084	-654,112
Total Other Comprehensive income	-639,084	-654,112
Comprehensive income	229,599	-112,380
(Breakdown)		
Comprehensive income attributable to owners of the parent	229,599	-112,380
Comprehensive income attributable to minority interests	—	—

3. Summary of Consolidated Cash Flow Statement

(Unit: '000 Yen)

	FY10 2Q (Apr. 1, 2010 to Sep. 30, 2010)	FY11 2Q (Apr. 1, 2011 to Sep. 30, 2011)
	Amount	Amount
Operating Cash Flow		
Net Profit Before Taxes and Other Adjustments	1,268,326	738,867
Depreciation	356,606	452,630
Share-based Compensation Expenses	6,974	26,865
Increase in Provisions (- represents decrease)	-497,475	79,743
Increase Provision for Loss on Disaster (- represents decrease)	—	-17,556
Increase Provision for Loss on Business Liquidation (- represents decrease)	—	-15,472
Increase Provision for Withdrawal from Employees' Pension Fund (- represents decrease)	—	131,175
Interest and Dividend Income	-70,659	-8,497
Interest Cost	5,574	3,904
Loss on Valuation of Investment Securities (- Gain)	20,000	—
Adjustment for Changes of Accounting Standard for Asset Retirement Obligations	28,578	—
Decrease in Notes and Accounts Receivable (- represents increase)	-22,148	-1,438,337
Decrease in Inventory (- represents increase)	-1,469,579	-371,962
Increase in Notes and Accounts Payable (- represents decrease)	593,779	1,935,065
Others	430,137	111,432
Sub Total	650,113	1,627,857
Interest and Dividend Received	7,143	8,498
Interest Paid	-5,613	-3,933
Payments for settlement package	-11,077	—
Disaster Expense Paid	—	-13,456
Business Liquidation Expense Paid	—	-15,472
Income Taxes Paid	—	-242,399
Income Taxes (-Paid) Refund	-1,123,198	—
Operating Cash Flow	-482,632	1,361,095
Investing Cash Flow		
Payments for Purchase of Fixed Assets	-580,223	-700,728
Others	3,099	1,761
Investing Cash Flow	-577,124	-698,967
Financing Cash Flow		
Proceeds from stock issuance	—	4,925
Purchase of Treasury Stock	—	-439,603
Payments for Shareholders' Dividends	-1,199,604	-1,199,524
Financing Cash Flow	-1,199,604	-1,634,202

Effect of Exchange Rate Changes on Cash and Cash Equivalents	-278,815	-364,357
Net Increase in Cash and Cash Equivalents (- represents Decrease)	-2,538,175	-1,336,431
Cash and Cash Equivalents at Beginning of Term	12,350,113	10,454,820
Cash and Cash Equivalents at End of Term	9,811,938	9,118,389

4. Segment Information

FY10 2Q (April 1, 2010 – September 30, 2010)

(Unit: '000 Yen)

	Reportable Segments			Other businesses	Total	Adjustment (Note)	Amount of Consolidated P/L
	Tablet business	Component Business	Sub Total				
Sales							
Sales towards external customers	12,316,636	3,393,647	15,710,283	212,503	15,922,786	—	15,922,786
Sales between internal segments and internal transfer	—	—	—	—	—	—	—
Total	12,316,636	3,393,647	15,710,283	212,503	15,922,786	—	15,922,786
Segment Profit or Loss (-)	2,342,529	-101,833	2,240,696	-72,921	2,167,775	-993,354	1,174,421

(Note) "Other businesses" consist of Software business and DJ Device business.

The above "Adjustment" in "Segment Profit" is mainly the cost of financial and general affairs departments which are not included in the reportable segments. "Segment Profit" is adjusted for "Operating Income".

FY11 2Q (April 1, 2011 – September 30, 2011)

(Unit: '000 Yen)

	Reportable Segments			Other businesses	Total	Adjustment (Note)	Amount of Quarterly Consolidated P/L
	Tablet business	Component Business	Sub Total				
Sales							
Sales towards external customers	12,050,498	3,754,326	15,804,824	245,924	16,050,748	—	16,050,748
Sales between internal segments and internal transfer	—	—	—	—	—	—	—
Total	12,050,498	3,754,326	15,804,824	245,924	16,050,748	—	16,050,748
Segment Profit or Loss (-)	1,701,299	200,006	1,901,305	59,698	1,961,003	-1,068,994	892,009

(Note) "Other businesses" consist of Software business.

The above "Adjustment" in "Segment Profit" is mainly the cost of financial and general affairs departments which are not included in the reportable segments. "Segment Profit" is adjusted for "Operating Income".

We have changed this since FY11 1Q and adopted new accounting principles with revenue recognition on a delivery basis to the customer site from shipment basis. We recognize a minor financial influence.

FY2011 2Q Summary of Financial Results (Consolidated)
from April 1, 2011 to September 30, 2011

(1) Business Performance

	FY2011		FY2010		YOY Change		FY2011		FY2010		YOY Change	
	2Q Result	2Q Result	Amount	Ratio	Amount	Ratio	Full Year Forecast	Full year Result	Amount	Ratio	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	
Sales	16,051	15,923	128	0.8%	36,500	33,030	3,470	10.5%				
Operating Profit (Operation Profit Margin)	892	1,174	-282	-24.0%	3,700	3,252	448	13.8%	10.1%	9.8%		
Recurring Profit (Recurring Profit Margin)	890	1,339	-449	-33.5%	3,650	3,363	287	8.5%	10.0%	10.2%		
Net Profit (Net Profit Margin)	542	869	-327	-37.6%	2,340	1,967	373	19.0%	6.4%	6.0%		
P/L FX rate (Average in the term) (US Daller) (Euro)	JPY 79.73 114.09	JPY 88.85 114.82	JPY -9.12 -0.73	-10.3% -0.6%	JPY 78.47 109.90	JPY 85.82 113.56	JPY -7.35 -3.66	-8.6% -3.2%				

Note) Assumption of FX rate in 2H 1USD=JPY77, 1EUR=JPY105

(2) Sales by Business Segment

	FY2011		FY2010		YOY Change		FY2011		FY2010		YOY Change	
	2Q Result	2Q Result	Amount	Ratio	Amount	Ratio	Full Year Forecast	Full year Result	Amount	Ratio	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	
Tablet business	12,050	12,317	-267	-2.2%	29,000	26,465	2,535	9.6%				
Component business	3,754	3,394	360	10.6%	7,000	6,117	883	14.4%				
Other businesses	246	213	33	15.7%	500	448	52	11.7%				
Total	16,051	15,923	128	0.8%	36,500	33,030	3,470	10.5%				

(3) Sales by Product Lines

	FY2011		FY2010		YOY Change		FY2011		FY2010		YOY Change	
	2Q Result	2Q Result	Amount	Ratio	Amount	Ratio	Full Year Forecast	Full year Result	Amount	Ratio	Amount	Ratio
(by Subsidiaries)	mil JPY	mil JPY	mil JPY		mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	
Tablet business	12,050	12,317	-266	-2.2%	29,000	26,465	2,535	9.6%				
Professional Products	6,298	6,406	-108	-1.7%	14,600	13,650	950	6.9%				
Pen tablets	4,284	4,724	-440	-9.3%	10,600	9,756	844	8.6%				
(Japan)	756	930	-174	-18.7%		1,810						
(U.S.)	1,376	1,488	-112	-7.5%		3,115						
(Germany)	1,096	1,225	-129	-10.6%		2,977						
(Asia-Oceania)	1,056	1,081	-25	-2.3%		1,854						
LCD tablets	2,013	1,682	331	19.7%	4,000	3,894	106	2.7%				
(Japan)	346	307	39	12.8%		644						
(U.S.)	865	810	55	6.8%		1,770						
(Germany)	591	376	215	57.4%		1,061						
(Asia-Oceania)	211	189	22	11.3%		419						
Consumer Products	4,287	3,840	447	11.6%	10,800	9,025	1,775	19.7%				
(Japan)	899	855	44	5.1%		1,868						
(U.S.)	1,111	1,118	-7	-0.6%		2,600						
(Germany)	1,328	1,033	295	28.5%		3,067						
(Asia-Oceania)	949	834	115	13.8%		1,490						
Business tablets	1,466	2,070	-604	-29.2%	3,600	3,790	-190	-5.0%				
(Japan)	531	448	83	18.5%		1,050						
(U.S.)	385	1,213	-828	-68.3%		1,700						
(Germany)	421	262	159	60.8%		569						
(Asia-Oceania)	129	147	-18	-12.1%		471						
Component business	3,754	3,394	360	10.6%	7,000	6,117	883	14.4%				
(Japan)	3,725	3,394	331	9.8%		6,117						
(U.S.)	22	0	22	—		0						
(Germany)	7	0	7	—		0						
Other businesses	246	213	33	15.7%	500	448	52	11.7%				
CAD for electrical engineering	246	213	33	15.7%		448						
(Japan)	246	219	27	12.0%		463						
(Germany)	0	-7	7	—		-15						
Total	16,051	15,923	128	0.8%	36,500	33,030	3,470	10.5%				

Note) The product lines of "Tablet business" are reorganized into three categories of "Professional Products", "Consumer Products", and "Business Products" by use in FY2011.
Note) The figures of FY2010 were recalculated retroactively because of the adoption of the new accounting principles in revenue recognition.

(4) Sales by Subsidiaries

	FY2011		FY2010		YOY Change		FY2011		FY2010		YOY Change	
	2Q Result	2Q Result	Amount	Ratio	Amount	Ratio	Full Year Forecast	Full year Result	Amount	Ratio	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	
Japan	6,503	6,153	350	5.7%				11,951				
U.S.	3,759	4,629	-870	-18.8%				9,186				
Germany	3,444	2,889	555	19.2%				7,659				
Asia-Oceania	2,346	2,251	95	4.2%				4,234				
Total	16,051	15,923	128	0.8%	36,500	33,030	3,470	10.5%				

Note) Japan's sales includes Taiwan area. Germany's includes EMEA, Asia-Oceania's is a total of sales of the subsidiaries in China, Korea, Australia, and Singapore.

(5) Capital Expenditure, Depreciation, and R&D Expenditure

	FY2011		FY2010		YOY Change		FY2011		FY2010		YOY Change	
	2Q Result	2Q Result	Amount	Ratio	Amount	Ratio	Full Year Forecast	Full year Result	Amount	Ratio	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	
Capital Expenditure	659	563	96	17.0%	1,100	1,591	-491	-30.9%				
Depreciation	453	357	96	26.8%	970	749	221	29.4%				
R&D Expenditure	848	602	246	40.9%	1,800	1,291	509	39.5%				

Note) The amount of capital expenditure is a total of new purchases of tangible assets and intangible assets.