

### 3Q FY 3/2014 Summary of Consolidated Financial Results

January 31, 2014

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

(Code Number: 6727 TSE1)

(URL [www.wacom.com](http://www.wacom.com))

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Preparation of Supplemental Explanatory Material for Financial Results: Yes

Holding of Large Meeting for Financial Results: No

#### 1. 3Q FY3/14 Consolidated Financial Results (April 1, 2013 – December 31, 2013)

##### (1) Business Performance (Consolidated) (rounded off to mY)

	Sales		Operating Profit		Recurring Profit		Net Profit	
	mY	YOY%	mY	YOY%	mY	YOY%	mY	YOY%
3Q FY 3/14	57,829	37.9	6,577	13.4	6,493	15.2	4,211	17.2
3Q FY 3/13	41,930	50.9	5,802	112.6	5,637	113.1	3,594	118.8

(Note) Comprehensive income: 3Q FY 3/14 6,239mY (53.20%) 3Q FY 3/13 4,073mY (325.30%)

	Net Profit per Share Outstanding		Net Profit per Diluted Share Outstanding	
	Yen	Sen	Yen	Sen
3Q FY 3/14		25.07		24.92
3Q FY 3/13		22.57		22.49

##### (2) Financial Position (Consolidated)

	Total Assets	Net Assets	Capital Ratio	Net Assets per Share	
	mY	mY	%	Yen	Sen
3Q FY 3/14	53,399	32,240	60.1	192.92	
FY 3/13	50,124	29,212	58.1	173.15	

(For Ref.) Capital: 3Q FY 3/14 32,109mY FY 3/13 29,116mY

#### 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
FY 3/13	-	0.00	-	4,500.00	4,500.00
FY 3/14	-	0.00			
FY 3/14 (estimates)			-	17.50	17.50

Changes in dividend per share forecast of FY 3/14 : No

A 400-for-1 share split was implemented effective June 1st 2013. Dividends for FY 3/13 are described in actual amount before the split.

#### 3. Consolidated Business Forecasts of FY3/14 (April 1, 2013 – March 31, 2014)

	Sales		Operating Profit		Recurring Profit		Net Profit		Net Profit Per Share Outstanding
	mY	YOY%	mY	YOY%	mY	YOY%	mY	YOY%	Yen Sen
Full Year	81,500	33.5	9,830	24.2	9,740	28.9	6,340	32.9	38.09

Changes in Consolidated business forecasts of FY 3/14 : 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 : No
  - Changes other than those above : No
  - 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 fiscal period (Including treasury stock):

	Shares		Shares
3Q FY 3/14	169,046,400	FY 3/13	169,046,400

Number of treasury stock outstanding at end of fiscal period:

	Shares		Shares
3Q FY 3/14	2,612,800	FY 3/13	892,800

Number of average shares for fiscal period

	Shares		Shares
3Q FY 3/14	168,011,055	3Q FY 3/13	159,230,064

\* Regarding the implementation of 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 Comprehensive Income Statement, Consolidated Cash Flow Statement (Summary), Segment Information (Summary), and Complementary Information

## Qualitative Information and Financial Statements

### Consolidated business performance

*Note: All comparisons are with the same period of the previous fiscal year, unless otherwise stated. Amounts for financial results are rounded to the nearest million yen.*

In the nine months (April 1, 2013 to December 31, 2013) of the current fiscal year, the business environment remained generally stable. Domestic business sentiment improved, supported by government economic policies, known as *Abenomics*, and monetary easing measures by the Bank of Japan. In the global economy, the issues surrounding national debt seems to have stabilized halting the recession in Europe, the Chinese economy continued to grow moderately, and the U.S. economy maintained a gradual recovery trend supported by improved employment and strong consumer spending.

In foreign exchange, the yen weakened reflecting monetary easing by the Bank of Japan and improvements in U.S. economic data.

In the IT industry, there was continued growth in smartphones and tablets, as well as SNS and cloud computing, which are forming a new platform. At the same time, the PC market became increasingly borderless and competitive, following the entry of a major OS manufacturer looking to gain a foothold in the new tablet market.

With regards to Wacom Group markets, in the Creative business area, in our Brand business category, digital content creation is expanding into emerging countries in the movie, comic and game applications sectors. These countries include Asia, with a large and young labor force, and South America, soon to host the World Cup and Olympics. In developed countries, we are seeing a growing need for cutting-edge solutions such as 3D technologies which are being increasingly adopted for industrial design. Further, all design environments are expanding from conventional desk tops to mobile environments based on cloud computing.

In the Consumer business market, we are seeing a growing need for intuitive input-by-hand functions in smartphones and tablets, which are showing signs of growth in the electronic stationery market. In the Vertical Market business, demand for paperless environments and security improvement across a broad range of sectors is growing. Against this background, digital signatures have been judged as an effective way to improve information security and operational efficiency while reducing paper resources and documenting management costs. Introduction of LCD pen tablet products is expanding.

In our Component business, amidst significant growth of the tablet market, pen technology is being incorporated into an increasing number of models, including Samsung's Galaxy Note Series and the expanding range of tablets based on Windows 8 Pro. There is also a growing need for pen technology as a differentiator in the field of e-book readers and educational terminals as the market expands. Demand for multi-touch technology is growing broadly in everything from smartphones and tablets to large-sized monitors, such as all-in-one PCs.

Against this background, Wacom Group has been working to realize the goals of our medium-term business plan WAP 1215 (for the three-year period April 2013 to March 2016) through proactive online marketing and sales activities, expanding our product lineup by enhancing new product development, and by strengthening development systems for

software such as pen applications for handwriting and digital ink. We have strengthened our QA systems and SCM with the launch of an automatic assembly facilities for electronic pens in Shanghai, China, developed a new ERP system for subsidiaries in Asia and Oceania, consolidated next-generation global IT infrastructure, and enhanced work environments to improve productivity and efficiency.

As a result, for the nine-month period ended December 31, 2013 consolidated net sales increased 37.9% to ¥57,829 million, operating income increased 13.4% to ¥6,577 million, ordinary income increased 15.2 % to ¥6,493 million and net income increased 17.2% to ¥4,211 million.

Note: As of the fiscal year commencing April 1, 2013, product lines for the Brand business have been reorganized into three categories: "Creative business", "Consumer business", and "Vertical Market business". In addition, the former "Bamboo" pen tablets have been integrated into 'Intuos' series in Creative business.

## Segment results

### 1. Brand business

In the Brand business category, sales increased steadily in the Vertical Market business and the Creative business with an expanded product lineup from new product launches. Further, the benefit of a depreciated yen on oversea sales contributed to improving sales.

In the Creative business, we launched *Intuos Pro* and developed a pen tablet model with wireless functionality installed as a standard feature, in September. Additionally, we renewed the design of the former *Bamboo* tablets integrating them into newly categorized *Intuos* series launched simultaneously. Sales of pen tablets increased substantially as a whole owing to steady growth of the low-end emerging market model in China, adding to the effect of yen depreciation, though sales in Japan were slow. In mobile products, our first OS installed tablet, *Cintiq Companion* with Windows 8 Pro and *Cintiq Companion Hybrid* with Android 4.2, were launched in August. These new products have acquired a good reputation among creators as professional products. In December, "*Cintiq Companion Hybrid* special campaign" was conducted with a special price and free trial program to promote sales. In display products, sales of *Cintiq13HD*, a thin compact body and high performance model, has been gaining a favorable reputation since last March's launch, and contributed to the expansion of sales.

In the Consumer business, we are continuously working on expanding sales through renewal of existing models of the stylus pen and new products' launch. Further, we launched the Bamboo Pad in September, a touch pad enabling gesture operations using multi touch technology, as well as note taking and writing with an accompanying electronic pen on a PC, as a new category to expand the electronic stationery category.

In the Vertical Market business, sales increased substantially as we expanded our signature pen tablet, *STU* series which promotes advanced paperless environments globally. *DTU 1031*, an LCD pen tablet for digital signature, has also acquired a good reputation for its pen pressure sensitivity as it gives the sensation of writing on paper.

By region, though each region experienced difficulties in the Consumer business, sales of other businesses increased partly owing to the effect of yen depreciation.

As a result, overall sales in the Brand business category for the nine-month period under review increased 33.3% to ¥28,915 million, and operating income increased 2.5% to ¥3,966 million.

※ Creative business : Pen tablet .....*Intuos* series  
(including the former *Bamboo* pen tablets)  
Mobile ..... *Cintiq Companion*, *Intuos Creative Stylus*  
Display .....*Cintiq* series

Consumer business : Stylus pen, Touch pad .....*Bamboo* series

Vertical Market business : LCD signature tablet.....*STU* series

LCD pen tablet.....*DT* series

## 2. Component business

In the Component business, sales increased substantially owing to the initial mass production of pen sensor systems for Windows 8 Pro tablets and notebook PCs, and favorable sales of pen sensor systems for smartphones.

Regarding sales of pen sensor systems for smartphones, mass production for Samsung's Galaxy Note III, launched in September, was implemented smoothly.

Sales of pen sensor systems for tablets increased substantially. Since the beginning of the calendar year, major manufacturers have expanded Windows 8 tablets incorporating our electric pen, and mass production of Galaxy Note 8.0 has increased. The new model for Galaxy Note10.1, launched in September, also adopted our pen sensor systems.

Sales of pen sensor systems for notebook PCs grew steadily as electric pens are increasingly used throughout the business world.

Overall sales in the Component business category for the nine-month period under review increased 43.9% to ¥28,479 million, and operating income increased 39.9% to ¥5,009 million.

## 3. Other business

In the Software business, sales declined slightly due to slow progress in winning large new projects in spite of efforts to stimulate demand for systems replacement with existing customers.

Overall sales in the Software business category for the nine-month period under review decreased 2.4% to ¥434 million, and operating income decreased 16.4% to ¥63 million.

## Consolidated financial position

### 1. Assets, Liabilities, and Net Assets

Total assets as of December 31, 2013 increased by ¥3,275 million to ¥53,399 million compared to the end of the previous fiscal year. The main factors contributing to an increase in assets were increases of ¥6,474 million in inventory, ¥1,106 million in Tangible Fixed Assets through capital expenditure, and ¥1,737 million in Investment and Other Assets from acquisition of investment securities, payments for lease and guarantee deposits for expanding office space. The main factor contributing to a decrease in assets was a decrease of ¥6,237 million in Cash and Cash Equivalents.

Total liabilities as of December 31, 2013 increased by ¥246 million to ¥21,159 million compared to the end of the previous fiscal year. The main contributing factors were a ¥875 million increase in Accounts Payable from the purchase of materials for new products and a ¥644 million decrease in Income Taxes Payable.

Total Net Assets increased by ¥3,029 million to ¥32,240 million compared to the end of the previous fiscal year. The main contributing factors were a ¥4,211 million increase in quarterly net profit, a ¥1,375 million increase in foreign currency translation adjustments due to the effects of the weakened Japanese currency, and a ¥1,892 million decrease from payment of shareholder dividends. As a result, the capital ratio increased by 2.0 points to 60.1% compared to the end of the previous fiscal year.

### 2. Cash Flow

Consolidated cash & cash equivalents for the nine-month period ended December 31, 2013 totaled ¥15,359 million, a decrease of ¥6,237 million from the end of the previous fiscal year (a ¥957 million increase over the same previous fiscal period) .

#### (Cash Flow from Operating Activities)

Cash used in operating activities during the nine-month period was ¥745 million (¥2,774 million generated in the same previous fiscal period). The main factors contributing to an increase were ¥6,483 million in Net Profit Before Taxes and Other Adjustments and a ¥1,765 million of decrease in Notes and Accounts Receivable. The main factors contributing to a decrease were a ¥5,505 million increase in Inventories and ¥3,624 million in Income Tax Paid.

#### (Cash Flow from Investing Activities)

Cash flow used in investing activities during the nine-month period was ¥3,260 million (¥1,122 million used in the same previous fiscal period), due to ¥2,535 million in Payments for Purchase of Tangible Assets such as machinery and equipment and ERP systems, and ¥468 million in Purchases of Investment Securities.

#### (Cash Flow from Financing Activities)

Cash flow used in financing activities during the nine-month period was ¥3,263 million (¥1,057 million used in the same previous fiscal period). The primary contributing factors were a ¥1,439 million payment for acquisition of own shares and a ¥1,886 million Payment for Shareholders' Dividends.

## Consolidated results forecast

No revisions have been made to the consolidated results forecast for the full of the current fiscal year released on October 18, 2013.

(Accompanying data)

## 1. Summary of Consolidated Balance Sheet

(Unit: '000 Yen)

Subject	FY 3/13 (as of Mar. 31, 2013)	3Q FY 3/14 (as of Dec. 31, 2013)
	Amount	Amount
(Assets)		
Current Assets		
1. Cash and Cash Equivalents	21,596,429	15,359,177
2. Notes and Accounts Receivable	10,601,728	10,854,489
3. Merchandise and Finished Products	3,742,068	8,686,201
4. Work in Process	426,982	458,337
5. Raw Materials and Supplies	1,314,261	2,812,461
6. Others	5,087,986	4,588,090
7. Allowance for Doubtful Accounts	-17,686	-21,801
Total Current Assets	42,751,768	42,736,954
Fixed Assets		
1. Tangible Fixed Assets		
(1) Others (net amount)	4,409,910	5,515,627
Total Tangible Fixed Assets	4,409,910	5,515,627
2. Intangible Fixed Assets		
(1) Goodwill	25,257	9,020
(2) Others	2,382,308	2,844,926
Total Intangible Fixed Assets	2,407,565	2,853,946
3. Investment and Other Assets		
(1) Others	573,987	2,312,476
(2) Allowance for Doubtful Accounts	-19,037	-20,265
Total Investment and Other Assets	554,950	2,292,211
Total Fixed Assets	7,372,425	10,661,784
Total Assets	50,124,193	53,398,738

(Unit: '000 Yen)

Subject	FY 3/13 (as of Mar. 31, 2013)	3Q FY 3/14 (as of Dec. 31, 2013)
	Amount	Amount
<b>(Liabilities)</b>		
<b>Current Liabilities</b>		
1. Notes	434,846	—
2. Accounts Payable	11,384,114	12,259,517
3. Short-term Debt	600,000	600,000
4. Income Taxes Payable	2,203,506	1,559,506
5. Provision for Bonuses	875,274	265,325
6. Provision for Director's Bonuses	168,299	35,981
7. Others	3,930,418	4,499,772
Total Current Liabilities	19,596,457	19,220,101
<b>Fixed Liabilities</b>		
1. Provision for Retirement Benefits	610,683	695,805
2. Asset Retirement Obligations	78,044	151,092
3. Others	627,476	1,091,689
Total Fixed Liabilities	1,316,203	1,938,586
Total Liabilities	20,912,660	21,158,687
<b>(Net Assets)</b>		
<b>Shareholders' Equity</b>		
1. Capital Stock	4,203,469	4,203,469
2. Capital Surplus	7,573,104	7,574,038
3. Retained Earnings	18,353,830	20,673,590
4. Treasury Stock	-204,205	-1,559,468
Total Shareholders' Equity	29,926,198	30,891,629
<b>Accumulated Comprehensive Income</b>		
1. Valuation Difference on Available-for-Sale Securities	23,641	676,691
2. Foreign Currency Translation Adjustments	-834,025	540,862
Total Accumulated Comprehensive Income	-810,384	1,217,553
Subscription Rights to Shares	95,719	130,869
Total Net Assets	29,211,533	32,240,051
Total Liabilities & Net Assets	50,124,193	53,398,738



## 2. Consolidated Profit &amp; Loss Statement

(Unit: '000 Yen)

Subject	3Q FY3/13 (Apr. 1, 2012 to Dec. 31, 2012)	3Q FY 3/14 (Apr. 1, 2013 to Dec. 31, 2013)
	Amount	Amount
Sales	41,930,153	57,828,795
Cost of Goods Sold	24,644,471	35,263,563
Gross Profit	172,85,682	22,565,232
Selling, General and Administrative Expenses	11,483,489	15,987,886
Operating Profit	5,802,193	6,577,346
Non-operating Revenue		
1. Interest	20,801	35,868
2. Others	24,303	37,673
Sub Total	45,104	73,541
Non-operating Expense		
1. Interest Cost	4,435	5,371
2. Foreign Exchange Losses	202,216	82,674
3. Value-added Taxes of Overseas Subsidiaries for prior periods	—	50,870
4. Others	3,243	18,794
Sub Total	209,894	157,709
Recurring Profit	5,637,403	6493,178
Extraordinary Gain		
1. Gain on Sales of Fixed Assets	1,756	299
2. Gain on Reversal of Subscription Rights to Shares	1,771	385
Sub Total	3,527	684
Extraordinary Loss		
1. Loss on Sales of Fixed Assets	1,771	2,494
2. Loss on Disposal of Fixed Assets	1,051	8,599
Sub Total	2,822	11,093
Net Profit before Taxes and Other Adjustments	5,638,108	6,482,769
Total of Income Tax, Inhabitant Tax and Enterprise Tax	2,043,996	2,271,282
Net Profit before Minority Interests Adjustments	3,594,112	4,211,487
Net Profit	3,594,112	4,211,487

## 3. Consolidated Comprehensive Income Statement

(Unit: '000 Yen)

Subject	3Q FY 3/13 (Apr. 1, 2012 to Dec. 31, 2012)	3Q FY 3/14 (Apr. 1, 2013 to Dec. 31, 2013)
	Amount	Amount
Income before Minority Interests	3,594,112	4,211,487
Other Comprehensive Income		
1. Valuation Difference on Available-for-Sale Securities	8,021	653,050
2. Foreign Currency Translation Adjustment	470,649	1,374,887
Total Other Comprehensive income	478,670	2,027,937
Comprehensive Income	4,072,782	6,239,424
(Breakdown)		
Comprehensive Income Attributable to Owners of the Parent	4,072,782	6,239,424
Comprehensive Income Attributable to Minority Interests	—	—

## 4. Summary of Consolidated Cash Flow Statement

(Unit: '000 Yen)

	3Q FY 3/13 (Apr. 1, 2012 to Dec. 31, 2012)	3Q FY 3/14 (Apr. 1, 2013 to Dec. 31, 2013)
	Amount	Amount
Operating Cash Flow		
Net Profit Before Taxes and Other Adjustments	5,638,108	6,482,769
Depreciation	809,306	1,282,346
Share-based Compensation Expenses	49,352	55,310
Increase in Provisions (- represents decrease)	40,833	-685,663
Interest	-20,801	-35,868
Interest Cost	4,435	5,371
Decrease in Notes and Accounts Receivable (- represents increase)	-4,866,786	1,765,020
Decrease in Inventory (- represents increase)	-673,046	-5,505,012
Increase in Notes and Accounts Payable (- represents decrease)	3,521,399	-277,851
Others	232,688	-238,157
Sub Total	4,735,488	2,848,265
Interest Received	20,874	35,499
Interest Paid	-4,455	-5,381
Income Taxes Paid	-1,978,333	-3,623,599
Operating Cash Flow	2,773,574	-745,216
Investing Cash Flow		
Payments into time deposits	—	-7,000,000
Proceeds from withdrawal of time deposits	—	7,000,000
Payments for Purchase of Tangible Assets	-1,071,421	-2,535,294
Purchase of Investment Securities	—	-468,450
Payments for Lease and Guarantee Deposits	-130,325	-264,337
Proceeds from Collection of Lease and Guarantee Deposits	132,287	2,694
Payments for Asset Retirement Obligations	-59,286	—
Others	7,177	5,110
Investing Cash Flow	-1,121,568	-3,260,277
Financing Cash Flow		
Payments for Purchase of Treasury stock	—	-1,438,734
Proceeds from Disposal of Treasury stock	136,071	62,149
Payments for Shareholders' Dividends	-1,193,147	-1,886,210
Financing Cash Flow	-1,057,076	-3,262,795
Effect of Exchange Rate Changes on Cash and Cash Equivalents	362,375	1,031,036
Net Increase in Cash and Cash Equivalents (- represents Decrease)	957,305	-6,237,252
Cash and Cash Equivalents at Beginning of Term	11,969,873	21,596,429
Cash and Cash Equivalents at End of Term	12,927,178	15,359,177

## 5. Segment Information

The Company consists of "Brand business" and "Component business" as the reportable segments and "Other businesses".

3Q FY 3/13 (April 1, 2012 – December 31, 2012)

(Unit: '000 Yen)

	Reportable Segments			Other business	Total	Adjustment (Note)	Amount of Quarterly Consolidated P/L
	Brand business	Component business	Sub Total				
<b>Sales</b>							
Sales towards external customers	21,692,361	19,792,684	41,485,045	445,108	41,930,153	—	41,930,153
Sales between internal segments and internal transfer	—	—	—	—	—	—	—
<b>Total</b>	<b>21,692,361</b>	<b>19,792,684</b>	<b>41,485,045</b>	<b>445,108</b>	<b>41,930,153</b>	<b>—</b>	<b>41,930,153</b>
<b>Segment Profit or Loss (-)</b>	<b>3,870,491</b>	<b>3,581,497</b>	<b>7,451,988</b>	<b>75,206</b>	<b>7,527,194</b>	<b>-1,725,001</b>	<b>5,802,193</b>

(Note) "Other business" consists of Software business.

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

"Segment Profit or Loss" is adjusted for "Operating Profit".

3Q FY 3/14 (April 1, 2013 – December 31, 2013)

(Unit: '000 Yen)

	Reportable Segments			Other business	Total	Adjustment (Note)	Amount of Quarterly Consolidated P/L
	Brand business	Component business	Sub Total				
<b>Sales</b>							
Sales towards external customers	28,915,098	28,479,447	57,394,545	434,250	57,828,795	—	57,828,795
Sales between internal segments and internal transfer	—	—	—	—	—	—	—
<b>Total</b>	<b>28,915,098</b>	<b>28,479,447</b>	<b>57,394,545</b>	<b>434,250</b>	<b>57,828,795</b>	<b>—</b>	<b>57,828,795</b>
<b>Segment Profit or Loss (-)</b>	<b>3,965,789</b>	<b>5,009,086</b>	<b>8,974,875</b>	<b>62,891</b>	<b>9,037,766</b>	<b>-2,460,420</b>	<b>6,577,346</b>

(Note) "Other business" consists of Software business.

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

"Segment Profit or Loss" is adjusted for "Operating Profit".

## 6. Subsequent Events

Regarding subsequent events after the reporting period, please refer to "Re: Issuance of Stock Acquisition Rights for the Purpose of Granting Stock Options" disclosed on January 31, 2014.

**3Q FY 3/2014 Summary of Consolidated Financial Results**  
from April 1, 2013 to December 31, 2013

**(1) Business Performance**

	FY 3/14		FY 3/13		YOY Change		FY 3/14		FY 3/13		YOY Change	
	3Q Result	3Q Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY	
Sales	57,829	41,930	15,899	37.9%	81,500	(88,000)	61,068	20,432	33.5%	81,500	(88,000)	61,068
Operating Profit	6,577	5,802	775	13.4%	9,830	(11,380)	7,915	1,915	24.2%	9,830	(11,380)	7,915
(Operation Profit Margin)	11.4%	13.8%			12.1%	12.9%	13.0%			12.1%	12.9%	13.0%
Recurring Profit	6,493	5,637	856	15.2%	9,740	(11,340)	7,559	2,181	28.9%	9,740	(11,340)	7,559
(Recurring Profit Margin)	11.2%	13.4%			12.0%	12.9%	12.4%			12.0%	12.9%	12.4%
Net Profit	4,211	3,594	617	17.2%	6,340	(7,370)	4,770	1,570	32.9%	6,340	(7,370)	4,770
(Net Profit Margin)	7.3%	8.6%			7.8%	8.4%	7.8%			7.8%	8.4%	7.8%
P/L FX Rate (Average in the Term)	¥	¥	¥		¥	(¥)	¥	¥		¥	(¥)	¥
(US Daller)	99.23	80.43	18.80	23.4%	96.61	(90.00)	83.23	13.38	16.1%	96.61	(90.00)	83.23
(Euro)	132.13	103.24	28.89	28.0%	129.35	(115.00)	107.57	21.78	20.2%	129.35	(115.00)	107.57

Note) No revisions have been made to FY 3/14 Full Year Forecast announced on Dec. 18, 2013. Each figure in ( ) of FY 3/13 Full Year Forecast shows the forecast as of Apr. 30, 2013.

Note) Assumption of FX rate from November, 2013: 1USD=JPY 95, 1EUR=JPY 130

**(2) Sales by Business Segment**

	FY 3/14		FY 3/13		YOY Change		FY 3/14		FY 3/13		YOY Change	
	3Q Result	3Q Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY	
<b>Brand business</b>												
Sales	28,915	21,692	7,223	33.3%	41,900	(40,100)	29,406	12,494	42.5%	41,900	(40,100)	29,406
Operating Profit	3,966	3,870	96	2.5%	6,800	(6,640)	4,895	1,905	38.9%	6,800	(6,640)	4,895
(Operation Profit Margin)	13.7%	17.8%			16.2%	16.6%	16.6%			16.2%	16.6%	16.6%
<b>Component business</b>												
Sales	28,480	19,793	8,687	43.9%	39,000	(47,200)	31,056	7,944	25.6%	39,000	(47,200)	31,056
Operating Profit	5,009	3,581	1,428	39.9%	6,510	(7,600)	5,554	956	17.2%	6,510	(7,600)	5,554
(Operation Profit Margin)	17.6%	18.1%			16.7%	16.1%	17.9%			16.7%	16.1%	17.9%
<b>Other business</b>												
Sales	434	445	-11	-2.4%	600	(700)	606	-6	-0.9%	600	(700)	606
Operating Profit	63	75	-12	-16.4%	60	(120)	102	-42	-41.4%	60	(120)	102
(Operation Profit Margin)	14.5%	16.9%			10.0%	17.1%	16.9%			10.0%	17.1%	16.9%

Note) The above operating profit in each segment doesn't include the cost of corporate segment.

**(3) Sales by Product Lines**

(by Subsidiaries)	FY 3/14		FY 3/13		YOY Change		FY 3/14		FY 3/13		YOY Change	
	3Q Result	3Q Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio	Full Year Forecast (Previous forecast)	Full Year Result	Amount	Ratio
	mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY		mil JPY	mil JPY	mil JPY	
<b>Brand business</b>	<b>28,915</b>	<b>21,692</b>	<b>7,223</b>	<b>33.3%</b>	<b>41,900</b>	<b>(40,100)</b>	<b>29,406</b>	<b>12,494</b>	<b>42.5%</b>	<b>41,900</b>	<b>(40,100)</b>	<b>29,406</b>
<b>Creative business</b>	<b>24,870</b>	<b>18,392</b>	<b>6,478</b>	<b>35.2%</b>	<b>35,100</b>	<b>(31,800)</b>	<b>24,963</b>	<b>10,137</b>	<b>40.6%</b>	<b>35,100</b>	<b>(31,800)</b>	<b>24,963</b>
Pen tablets	15,590	13,582	2,008	14.8%	21,400	(20,000)	18,379	3,021	16.4%	21,400	(20,000)	18,379
(Japan)	2,073	2,636	-563	-21.4%			3,572					3,572
(U.S.)	5,030	4,361	669	15.3%			5,792					5,792
(Germany)	4,921	3,986	935	23.5%			5,676					5,676
(Asia-Oceania)	3,566	2,599	967	37.2%			3,339					3,339
Mobiles	1,884	443	1,441	324.9%	4,300	(4,500)	534	3,766	704.6%	4,300	(4,500)	534
(Japan)	314	15	299	-			29					29
(U.S.)	695	109	586	535.9%			126					126
(Germany)	572	254	318	125.2%			302					302
(Asia-Oceania)	303	65	238	362.4%			77					77
Displays	7,396	4,367	3,029	69.4%	9,400	(7,300)	6,050	3,350	55.4%	9,400	(7,300)	6,050
(Japan)	1,621	844	777	92.0%			1,209					1,209
(U.S.)	2,909	1,888	1,021	54.1%			2,505					2,505
(Germany)	2,031	1,085	946	87.2%			1,597					1,597
(Asia-Oceania)	835	550	285	52.0%			739					739
<b>Consumer business</b>	<b>1,334</b>	<b>1,380</b>	<b>-46</b>	<b>-3.4%</b>	<b>2,200</b>	<b>(3,600)</b>	<b>1,825</b>	<b>375</b>	<b>20.6%</b>	<b>2,200</b>	<b>(3,600)</b>	<b>1,825</b>
(Japan)	116	81	35	43.4%			111					111
(U.S.)	454	402	52	13.0%			520					520
(Germany)	626	791	-165	-20.9%			1,051					1,051
(Asia-Oceania)	138	106	32	29.0%			143					143
<b>Vertical market business</b>	<b>2,711</b>	<b>1,920</b>	<b>791</b>	<b>41.2%</b>	<b>4,600</b>	<b>(4,700)</b>	<b>2,618</b>	<b>1,982</b>	<b>75.7%</b>	<b>4,600</b>	<b>(4,700)</b>	<b>2,618</b>
(Japan)	790	732	58	7.9%			1,029					1,029
(U.S.)	320	293	27	9.2%			352					352
(Germany)	1,288	719	569	79.2%			1,004					1,004
(Asia-Oceania)	313	176	137	78.2%			233					233
<b>Component business</b>	<b>28,480</b>	<b>19,793</b>	<b>8,687</b>	<b>43.9%</b>	<b>39,000</b>	<b>(47,200)</b>	<b>31,056</b>	<b>7,944</b>	<b>25.6%</b>	<b>39,000</b>	<b>(47,200)</b>	<b>31,056</b>
For smartphones	15,189	11,450	3,739	32.6%	22,800	(23,200)	17,666	5,134	29.1%	22,800	(23,200)	17,666
For tablets	8,818	4,802	4,016	83.6%	11,900	(17,500)	8,317	3,583	43.1%	11,900	(17,500)	8,317
For notebook PCs	4,185	3,501	684	19.5%	4,000	(6,300)	5,000	-1,000	-20.0%	4,000	(6,300)	5,000
For touch use	288	40	248	630.6%	300	(200)	73	227	311.9%	300	(200)	73
<b>Other business</b>	<b>434</b>	<b>445</b>	<b>-11</b>	<b>-2.4%</b>	<b>600</b>	<b>(700)</b>	<b>606</b>	<b>-6</b>	<b>-0.9%</b>	<b>600</b>	<b>(700)</b>	<b>606</b>
CAD for electrical engineering	434	445	-11	-2.4%	600	(700)	606	-6	-0.9%	600	(700)	606
(Japan)	434	445	-11	-2.4%			606					606
<b>Total</b>	<b>57,829</b>	<b>41,930</b>	<b>15,899</b>	<b>37.9%</b>	<b>81,500</b>	<b>(88,000)</b>	<b>61,068</b>	<b>20,432</b>	<b>33.5%</b>	<b>81,500</b>	<b>(88,000)</b>	<b>61,068</b>

Note) The product lines of the brand product business are reorganized into new three categories of "Creative business", "Consumer business", and "Vertical market business" from FY2013 ended on March, 2014. As a result, Bamboo pen tablets of included in "Consumer products" is reclassified in pen tablets of "Creative business", "Business products" is replaced by "Vertical market business".

Note) No revisions have been made to FY 3/14 Full Year Forecast in Sales by Product Lines announced on Dec. 18, 2013. Each figure in ( ) of FY 3/13 Full Year Forecast shows the forecast as of Apr. 30, 2013.

**(4) Sales by Subsidiaries**

	FY 3/14		FY 3/13		YOY Change		FY 3/14		FY 3/13		YOY Change	
	3Q Result	3Q Result	3Q Result	3Q Result	Amount	Ratio	Full Year Forecast (Previous forecast)		Full Year Result		Amount	Ratio
	mil JPY	mil JPY	mil JPY	mil JPY	mil JPY		mil JPY	(mil JPY)	mil JPY	mil JPY	mil JPY	
Japan	33,829	24,547	9,282	37.8%	46,200	(54,400)	37,611	8,589	22.8%			
<i>( Japan excluding Component business )</i>	5,349	4,754	595	12.5%	7,200	(7,200)	6,555	645	9.8%			
U.S.	9,408	7,053	2,355	33.4%	13,200	(13,900)	9,295	3,905	42.0%			
Germany	9,437	6,834	2,603	38.1%	14,700	(13,000)	9,630	5,070	52.6%			
Asia-Oceania	5,155	3,496	1,659	47.4%	7,400	(6,700)	4,532	2,868	63.3%			
Total	57,829	41,930	15,899	37.9%	81,500	(88,000)	61,068	20,432	33.5%			

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.

Note) The sales of the Component Business is categorized in Japan.

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

	FY 3/14		FY 3/13		YOY Change		FY 3/14		FY 3/13		YOY Change	
	3Q Result	3Q Result	3Q Result	3Q Result	Amount	Ratio	Full Year Forecast (Previous forecast)		Full Year Result		Amount	Ratio
	mil JPY	mil JPY	mil JPY	mil JPY	mil JPY		mil JPY	(mil JPY)	mil JPY	mil JPY	mil JPY	
Capital Expenditure	2,535	1,271	1,264	99.5%	3,600	(3,200)	1,845	1,755	95.1%			
Depreciation	1,282	809	473	58.5%	1,910	(2,120)	1,160	750	64.6%			
R&D Expenditure	2,153	1,418	735	51.9%	2,830	(2,520)	2,382	448	18.8%			

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