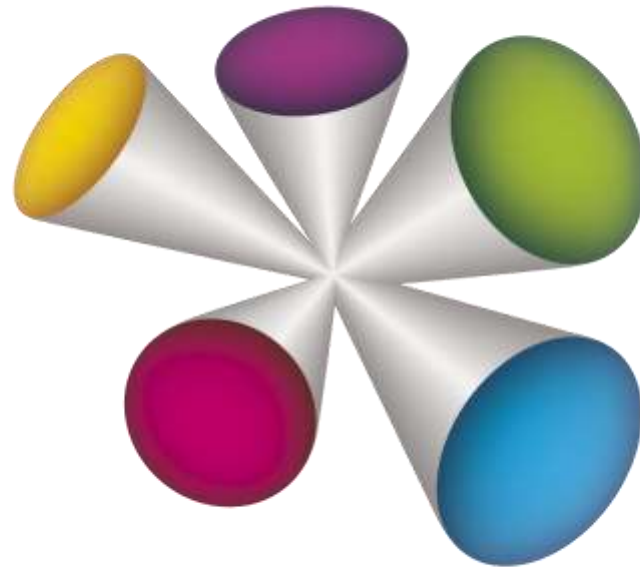


# Business Report

Apr. to Jun. 2014  
(1Q FY 3/15)

Wacom Co., Ltd.  
(TSE Sec.1 6727)



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# 1Q FY03/15 Results Overview

## Operating environment

- The global economy is on a slow recovery led by economic expansion in the U.S., recovery in the Eurozone, and improvements after a consumption tax rise in the Japanese market. On the other hand, concerns of a slowdown due to the situation in Ukraine grew. The JPY was weaker than initially expected.
- As cloud computing, mobiles, and SNS rapidly expand, the IT industry faces intensified competition and structural change. The market trends surrounding the company are changing rapidly.

## Performance overview

- In Brand Business, large-sized display tablets showed a slowdown in sales and Consumer Business also struggled due to intensifying price-based competition. However, overall sales were higher YOY due to sales expansion of our mobile products, stable sales of professional pen tablets, as well as growth of the Vertical Market Business.
- In Component Business, while sales for smartphones maintained growth, sales for tablet devices decreased sharply and sales for notebook PCs also declined. As a result, overall sales decreased significantly YOY.

# 1Q FY03/15 Results Overview

## Summary of financial result

(JPY)	1Q FY 3/15	YOY
<b>Sales</b>	<b>13.67 bn</b>	<b>- 11.3%</b>
<b>Operating Profit</b>	<b>0.08 bn</b>	<b>- 92.3%</b>
<b>Recurring Profit</b>	<b>0.14 bn</b>	<b>- 85.5%</b>
<b>NPBT</b>	<b>0.14 bn</b>	<b>- 85.7%</b>
<b>Net Profit aft. Tax</b>	<b>0.10 bn</b>	<b>- 84.3%</b>
	<b>1Q FY 3/15</b>	<b>1Q FY 3/14*</b>
<b>EPS</b>	<b>0.57</b>	<b>3.61 *</b>
<b>BPS</b> (Book value per share)	<b>177</b>	<b>168 *</b>
(Average FX rate)	1USD=102.14JPY	97.94JPY
	1EURO=140.01JPY	127.35JPY

\* EPS and BPS in FY 3/14 are calculated on the assumption of the share split.

# Consolidated P/L

(Unit: Million JPY)

	1Q FY 3/14	1Q FY 3/15	YOY Change	
	4/13-6/13	4/14-6/14	Amount	Ratio
Sales	15,414	13,669	-1,745	-11.3%
Gross Profit	5,906	5,500	-406	-6.9%
GPM	38.3%	40.2%		
SG&A	4,870	5,420	549	11.3%
Operating Profit	1,035	80	-956	-92.3%
OPM	6.7%	0.6%		
Recurring Profit	980	142	-838	-85.5%
Net Profit aft. Tax	607	95	-512	-84.3%

- Effect of foreign exchange for FY:  
 Stronger dollar (4.20Yen) Sales +400 mil, Operating Profit +20 mil  
 Stronger Euro (12.66Yen) Sales +230 mil, Operating Profit +130 mil

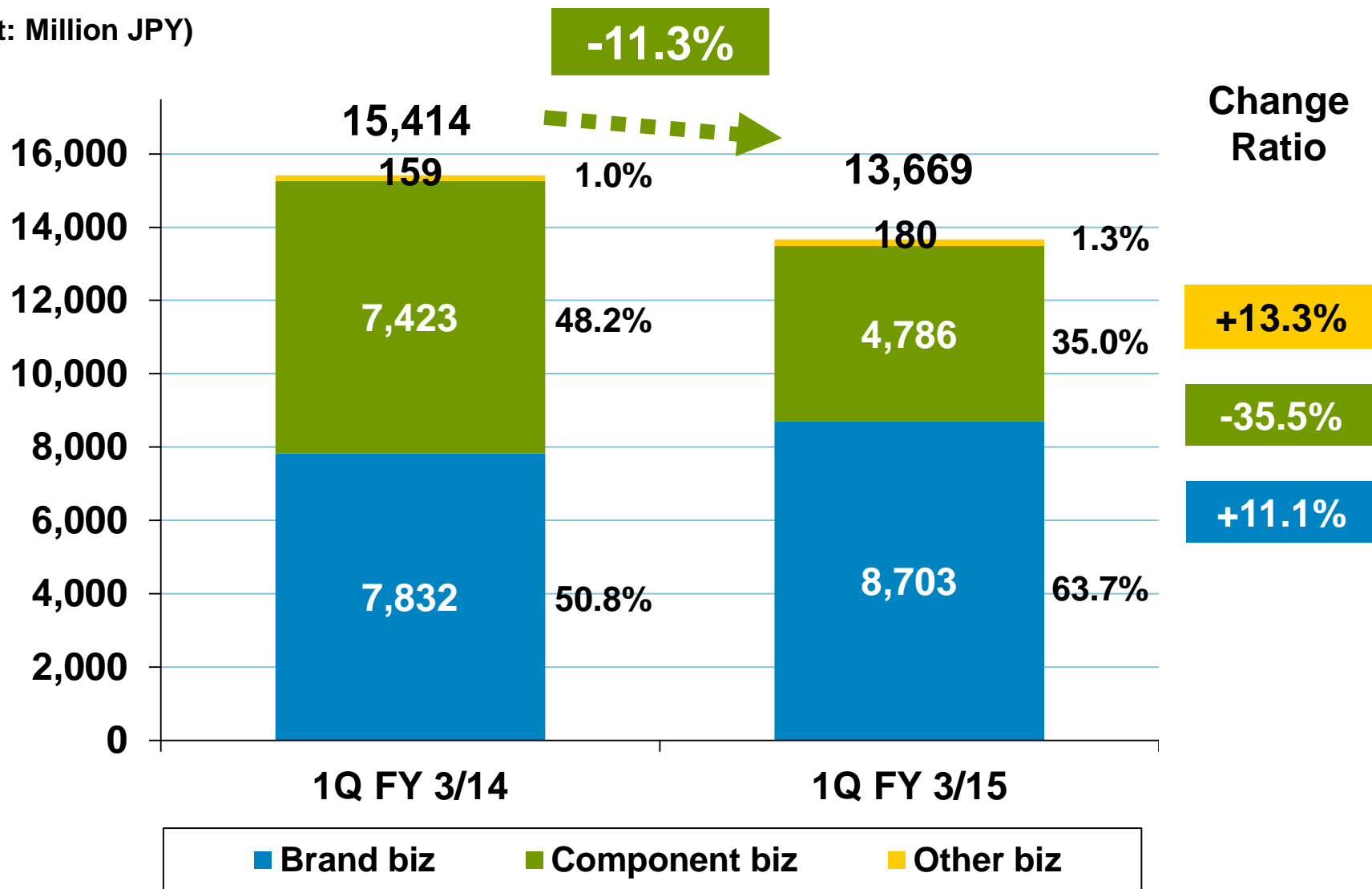
# Consolidated P/L by Business Line

(Unit: Million JPY)

	1Q FY 3/14	1Q FY 3/15	YOY Change	
	4/13-6/13	4/14-6/14	Amount	Ratio
Sales	15,414	13,669	-1,745	-11.3%
Brand biz	7,832	8,703	871	11.1%
Component biz	7,423	4,786	-2,637	-35.5%
Other biz	159	180	21	13.3%
Operating Profit	1,035	80	-956	-92.3%
Brand Biz	872	869	-3	-0.4%
Component biz	905	156	-750	-82.8%
Other biz	14	27	13	87.3%
Corp. and others	-756	-972	-215	28.5%
OPM	6.7%	0.6%		

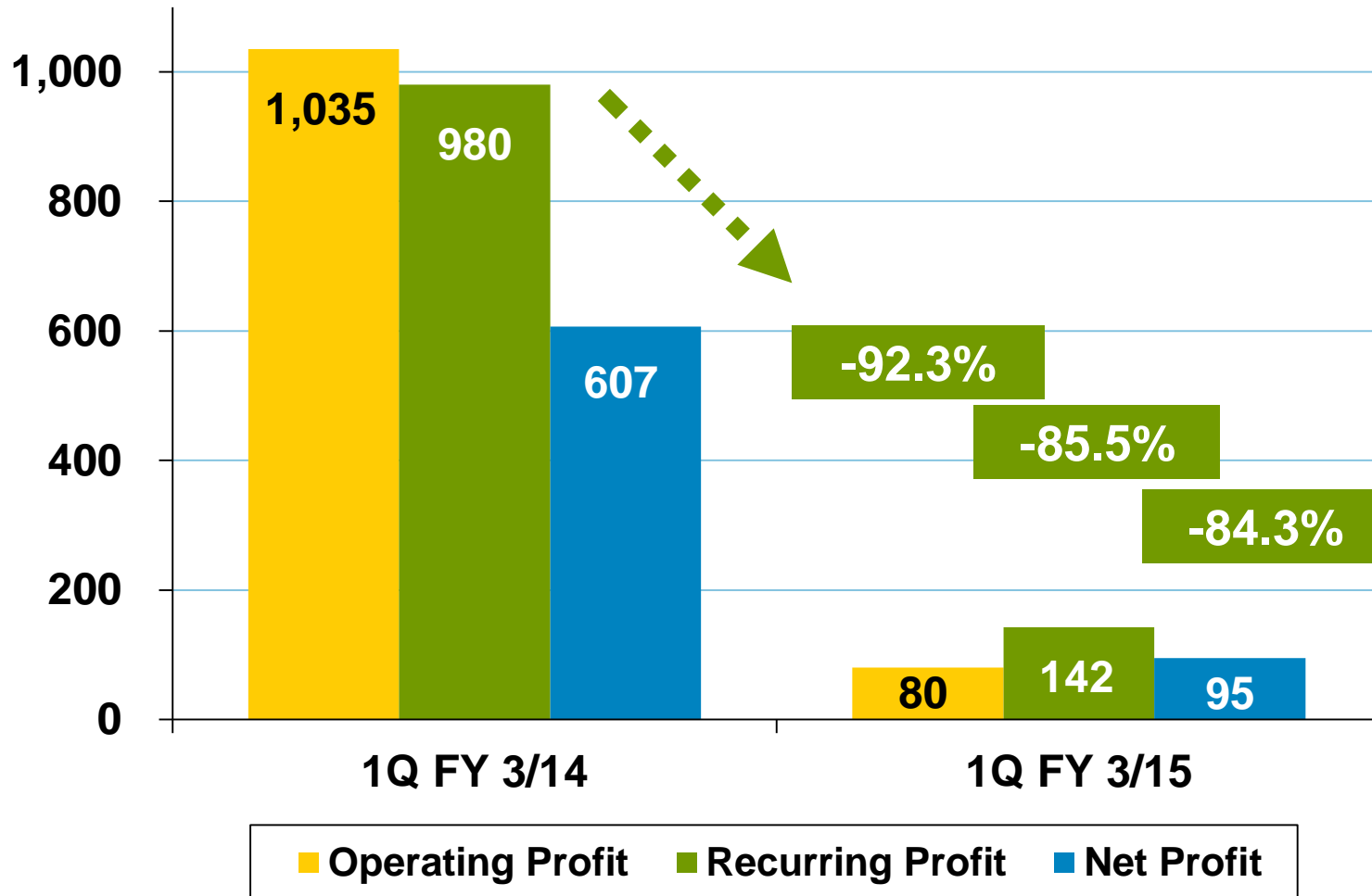
# Consolidated Sales Comparison

(Unit: Million JPY)



# Consolidated Profit Comparison

(Unit: Million JPY)





# Operating Expenses Comparison

(Unit: Million JPY)

	1Q FY 3/14	1Q FY 3/15	YOY Change	
	4/13-6/13	4/14-6/14	Amount	Ratio
<b>Personnel</b>	1,725	2,041	316	18.3%
<b>R&amp;D</b>	714	700	-13	-1.9%
<b>Ad. &amp; Promo.</b>	740	672	-68	-9.2%
<b>Others</b>	1,692	2,007	314	18.6%
<b>Total</b>	4,870	5,420	549	11.3%
<b>SG&amp;A Ratio</b>	31.6%	39.6%		

## Key changes in increases

- Increase in the number of employees 1Q FY 3/14 972 → 1Q FY 3/15 1,029
- Expenses for next-generation global IT infrastructure
- Others including office relocation, travel expenses, etc.
- SG&A increased by ¥0.18 bn due to higher costs at subsidiaries from forex.

# Operating Expenses Comparison

## Expenses for major projects

(Unit: Million JPY)

	1Q FY 3/14	1Q FY 3/15	YOY Change
	4/13-6/13	4/14-6/14	Amount
Reconstruction of global SCM structure	72	238	166
Global HR project	9	49	40
WILL project	0	10	10
合計	82	297	216

- Reconstruction of global SCM (supply chain management) structure
  - Support of e-commerce and centralization of ordering system, production management, and logistics management for all Wacom groups
  - Promotion of rapid decision-making by real-time information sharing and global ERP system integration
- Global HR project
  - Transition to a global organization by business category and integration of human resource management system
- WILL (Wacom Ink Layer Language) project
  - Establishment of digital ink standard and expansion of the ink application

# Brand Business: Categories

## Reorganization based on user characteristics

### Creative Business

- Serves the passion of professional and consumer creativity
- Provides high value products and solutions for creative needs
- Pen tablets (*Intuos*, etc.), Mobile (*Cintiq Companion*, etc.), Display (*Cintiq*)

### Consumer Business

- Makes daily lives more creative and enjoyable
- Provides simple and intuitive UI solutions for general users
- *Bamboo Stylus*, *Bamboo Pad* etc.

### Vertical Market Business

- Serves society by providing innovative solutions
- Provides faster, more efficient and secure ways to work
- *STU* (signature tablet), *DT* (display tablet) series, etc.

### Software

Provides cross business, cross platform linkage with end-users

*WILL*,  
*Bamboo Paper*,  
*Sign & Save*

# Business Highlights: (Unit: JPY)

<b><u>Brand Business</u></b>	<b>8.70 bn</b>	<b>+11.1%</b>
<b>Creative Business</b>	<b>7.32 bn</b>	<b>+9.8%</b>
<b>Pen tablets</b>	<b>4.19 bn</b>	<b>- 3.1%</b>

- *Intuos Pro*, released last September, was well received for its high value-added features for professional use, and maintained stable sales especially in Europe, U.S., and Asia.
- The former *Bamboo* tablet brand was integrated into the *Intuos* brand, and released as new products last September. However, sales remained at a low level due to brand confusion and a shift to mobile devices by new users.
- Local initiatives saw the emerging market model expanded from China to India.
- The situation in Ukraine had a negative impact on sales in both Russia and Ukraine.

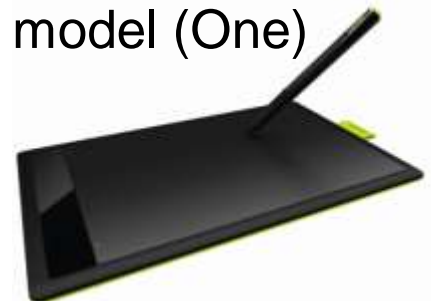
INTUOS<sup>®</sup>pro



INTUOS<sup>®</sup>comic



Emerging market model (One)



# Business Highlights: (Unit: JPY)

CINTIQ<sup>®</sup>companion

## Brand Business

### Creative Business

#### Mobile

0.89 bn up 12.1 times

- *Cintiq Companion* and *Cintiq Companion Hybrid*, Wacom's first mobile tablet product (launched last August) maintained steady sales but fell short of target.
- *Intuos Creative Stylus*, the stylus product for iPads with pen pressure detection (also launched last August) contributed to a sales increase.



CINTIQ<sup>®</sup>companion hybrid



INTUOS<sup>®</sup>  
Creative Stylus



# Business Highlights: (Unit: JPY)

## Brand Business

## Creative Business

## Display

2.25 bn -1.3%

- *Cintiq 13HD* with thin compact body and high performance, and *Cintiq 22HD* contributed steadily to sales expansion.
- Sales of *Cintiq 24HD*, large size display models, decreased.

CINTIQ® 13HD



CINTIQ® 22HD



CINTIQ®  
24HD touch



CINTIQ®  
22HD touch



# Business Highlights: (Unit: JPY)

## Brand Business

**Consumer Business**      **0.20 bn**    **-31.0%**

- Expanded stylus product line with *Bamboo Stylus mini* for smartphones, stylus products for Samsung's Galaxy Note series and a lower priced edition of the *Bamboo Stylus alpha* model. In spite of efforts to expand product lineup, sales were impacted by intensifying price-based competition.
- *Bamboo Pad*, a wireless touch pad that enables both multi touch operation and digital writing, was added to the *Bamboo* brand product line last September and contributed to a sales increase.

BAMBOO® STYLUS



BAMBOO® PAD



# Business Highlights: (Unit: JPY)

## Brand Business

### Vertical Market Business 1.18 bn +35.6%

- Demand for paperless workflow and improved data security continued to grow globally.
- Adoption of the *STU* series, signature pen tablets, expanded in credit card transaction and counter services in the financial sector. *STU-530* & *STU-430*, the latest models with a thin and light body, showed favorable sales.
- *DTH-2242*, launched last March with large LCD display for medical and educational use, and *DTU-1031*, a mid-sized display tablet for counter services, contributed to sales.



**STU series**



**DTU-1031**



**DTH-2242**



# Business Highlights: (Unit: JPY)

**Components Business** 4.79 bn **-35.5%**



Smartphone models

**Pen Sensor Systems for Smartphones** 1.92bn **+9.7%**

- Along with Samsung's Galaxy Note 3, the Galaxy Note 3 Neo (launched in 4Q FY14) contributed to sales growth YOY.

**SAMSUNG** GALAXY Note 3



**Pen Sensor Systems for Tablets** 2.06bn **-47.9%**

- Pen adoption for Windows 8 Pro tablets and for educational tablets have both expanded. However, sales decreased substantially due to declining sales in certain customer models.

Windows 8  ANDROID

Tablet models

**Panasonic**  
**TOSHIBA**

**Motion**  
E人E本

**SAMSUNG**



**lenovo**



**ASUS**



# Business Highlights: (Unit: JPY)

## Components Business

### Sensor Systems for Notebook PCs 0.81bn -53.0%

- Along with a model shift from notebook PCs to tablets with removable keyboards, pen demand also shifted to tablets. Due to the influence of manufacturer model transitions, our sales decreased.



Adoption examples

FUJITSU



Panasonic



lenovo



## Development of *Active ES (Electrostatics) Pen Technology*

- To meet diversifying customer needs for pen technology solutions, we developed *Active ES Pen Technology* based on Wacom's original technology.
- By incorporating both multi-touch and pen input functions into the touch panel, we eliminated the need for a dedicated pen sensor board and achieved a low cost solution.
- Newly developed one chip controller enables high performance pen functions.

# Business Highlights: (Unit: JPY)

**Other Business**                      **0.18 bn**    **+13.3%**

**CAD software and others**    **0.18bn**    **+13.3%**

- Demand for upgraded Windows XP versions contributed to steady sales.
- Along with *ECAD dio 2014*, the *ECAD dio DCX R1*, a new product with key functions targeted toward the machinery and robotics industry, contributed to sales increase.

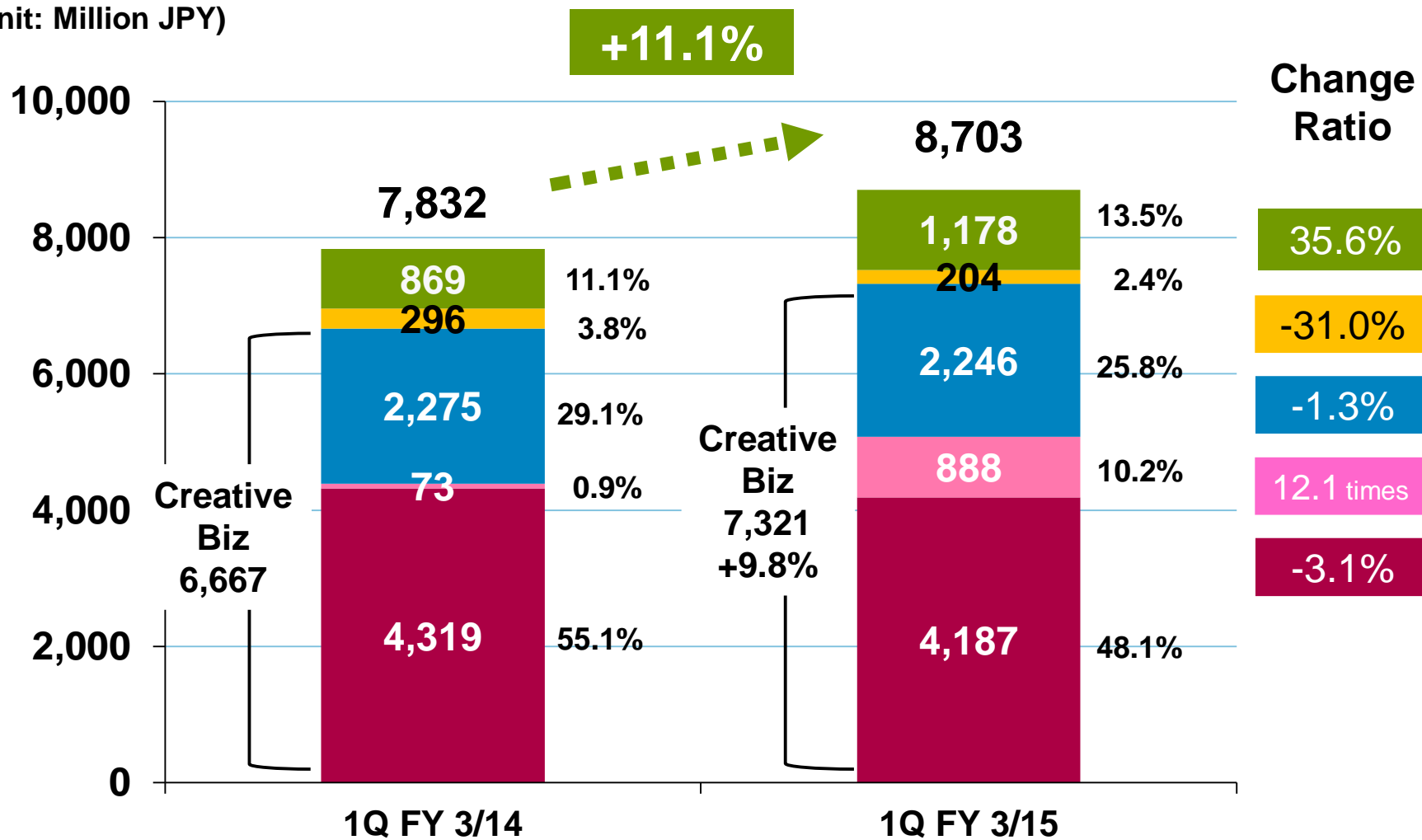


## **F&A (Corporate)**

- Continued to invest in business infrastructure for growth and operational efficiency. Major projects include development of global SCM system infrastructure for e-commerce, Global HR system, and global ERP system in Asia-Oceania region, etc.
- Developed *WILL (Wacom Ink Layer Language)* as a new framework to standardize digital ink, and started partnership development activities.

# Sales by Product Line in Brand

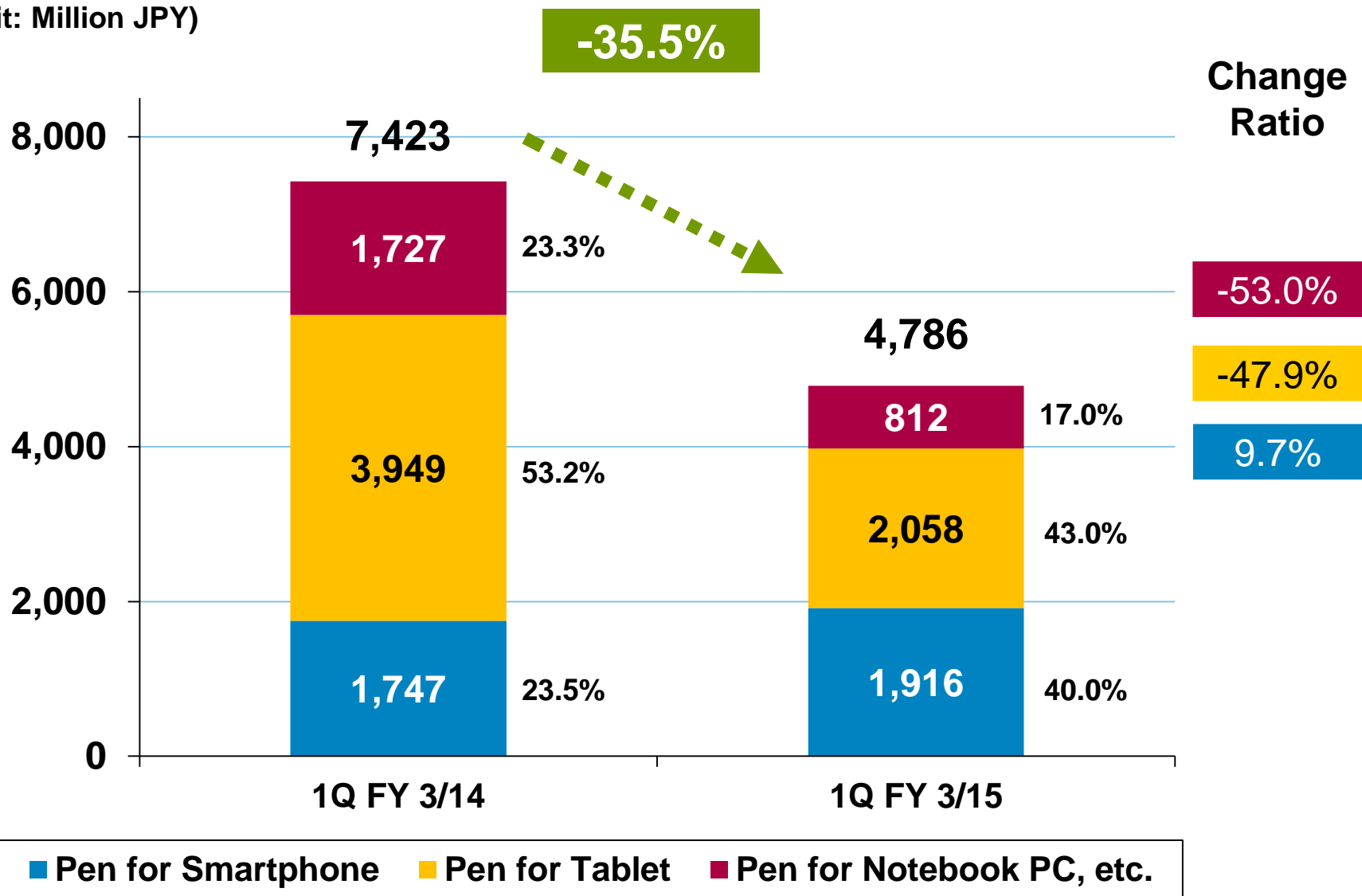
(Unit: Million JPY)



■ Creative-Tablet ■ Creative-Mobile ■ Creative-Display ■ Consumer ■ VM

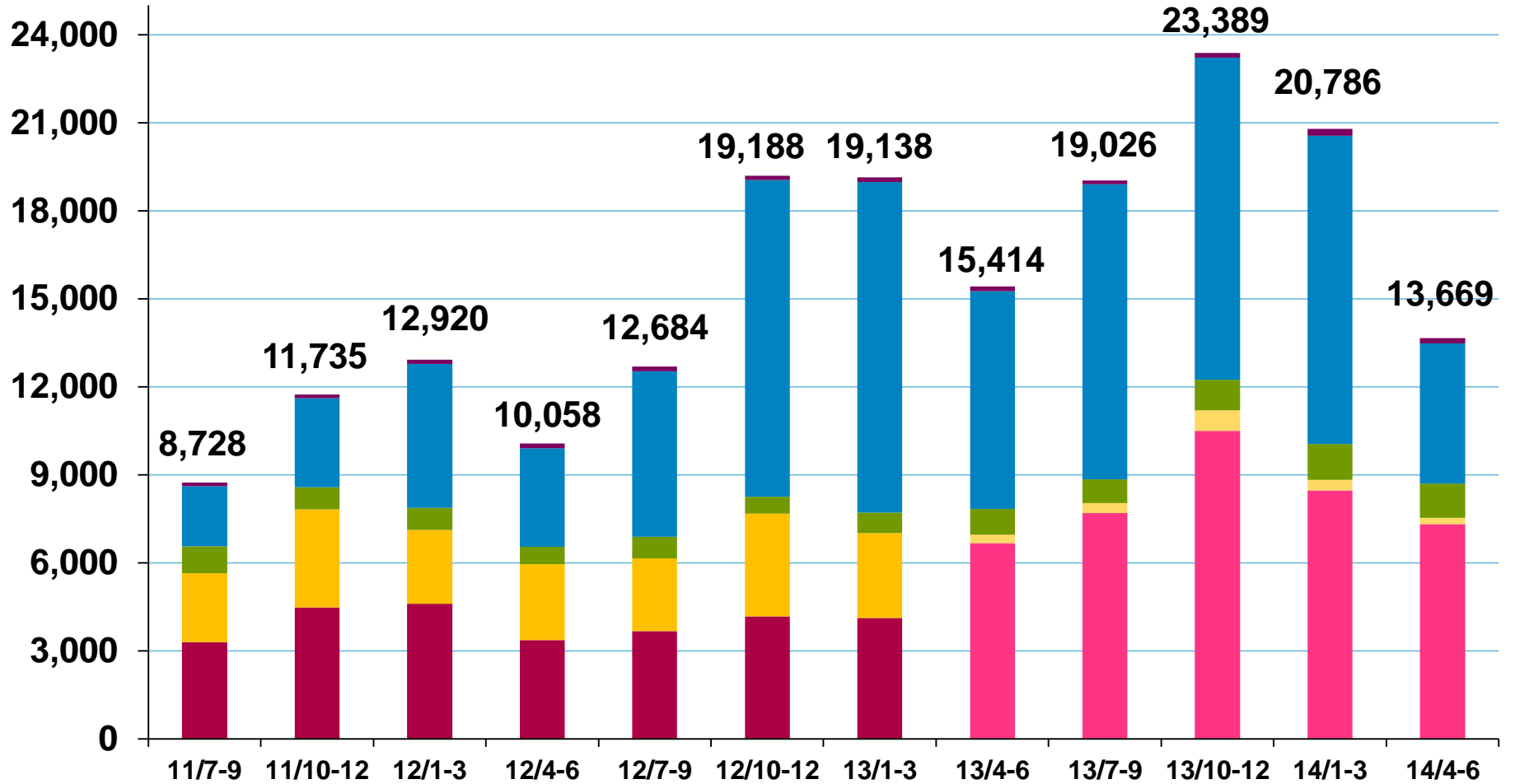
# Sales by Product Line in Component

(Unit: Million JPY)



# Quarterly Trend by Product Line

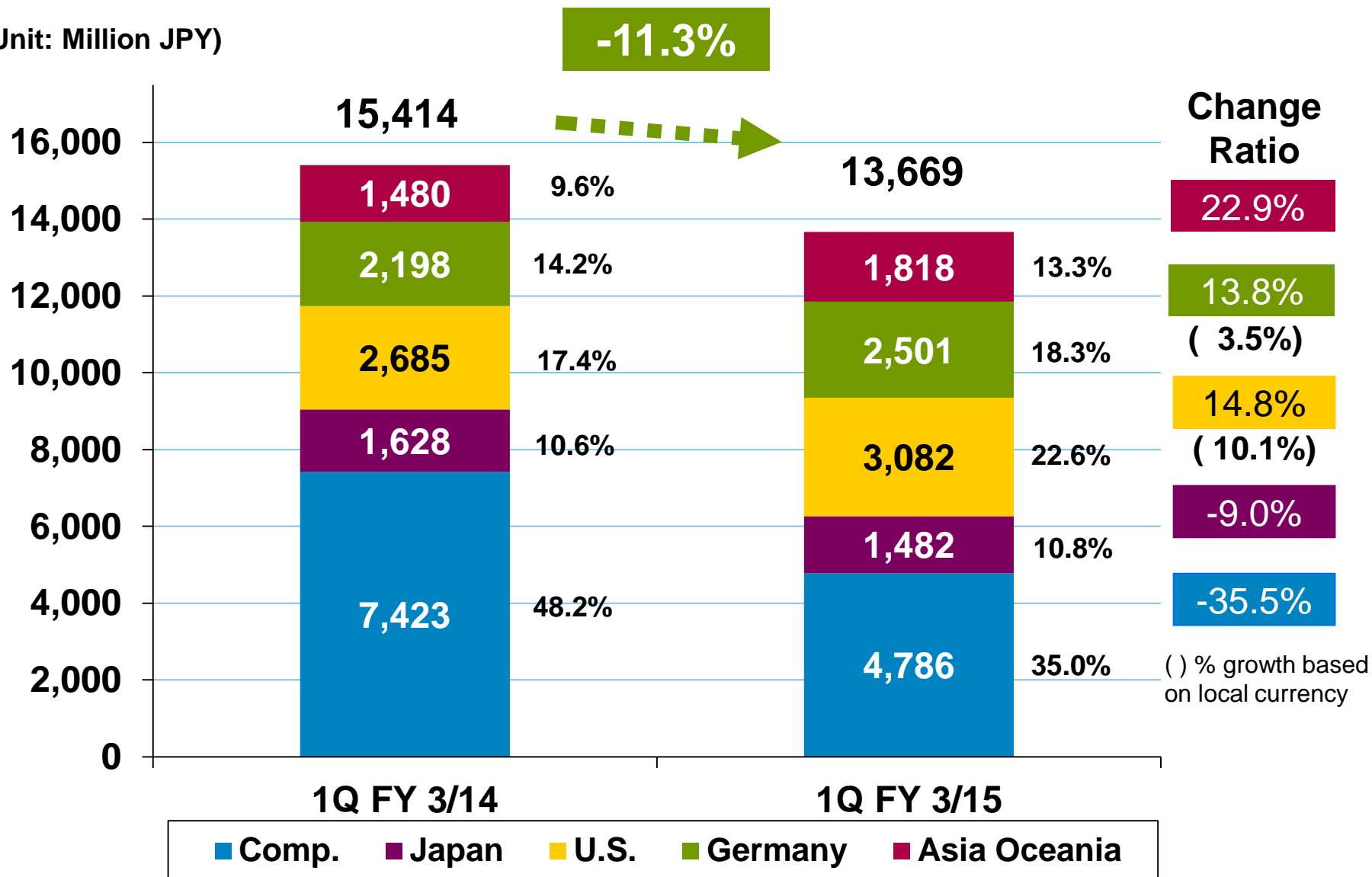
(Unit: Million JPY)



■ Professional ■ Creative ■ Consumer(Bamboo tablet, etc.) ■ Consumer(Stylus, etc.) ■ Business(VM) ■ Comp. ■ CAD, etc.

# Sales by Region

(Unit: Million JPY)



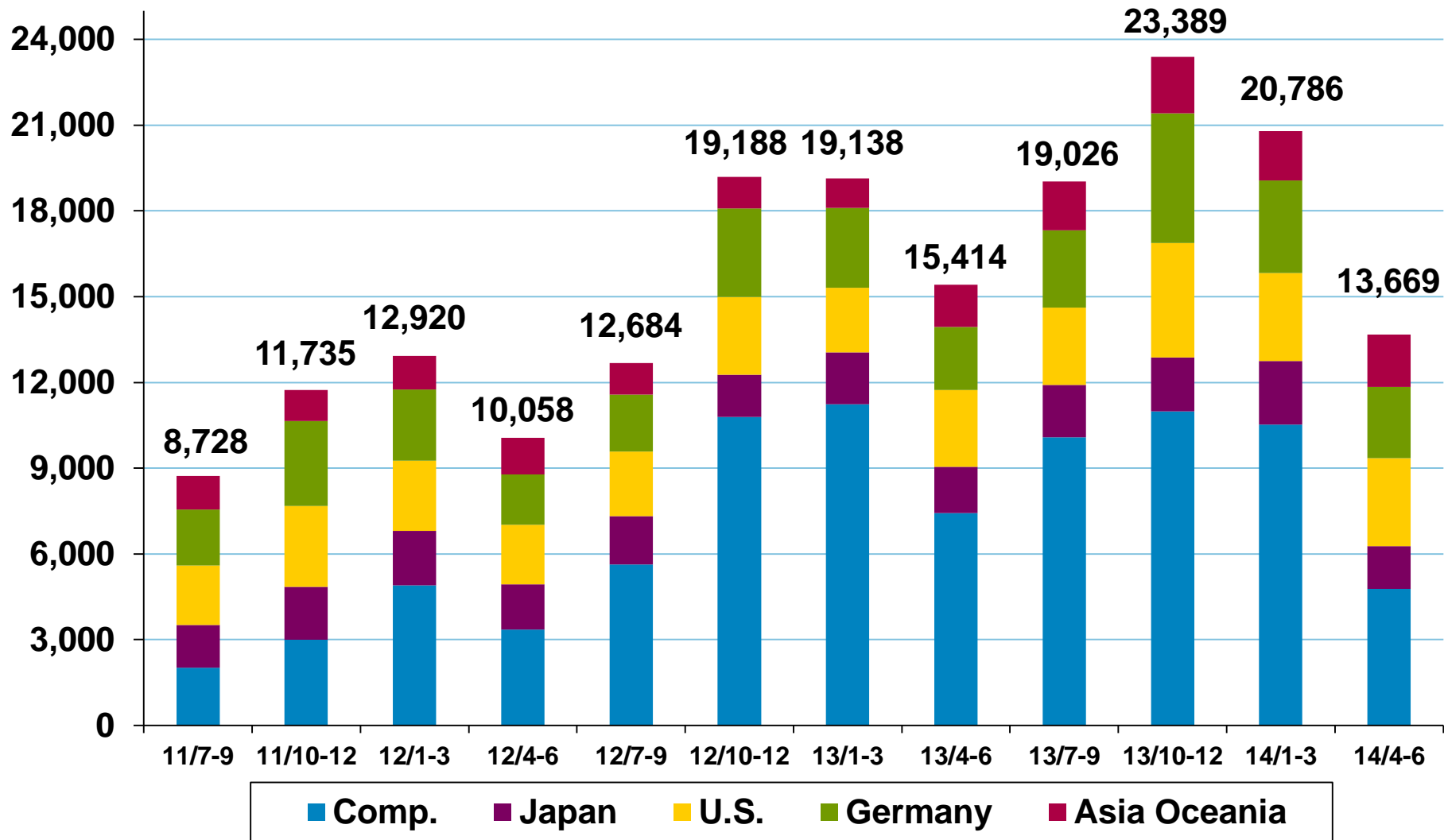
# Sales Changes for Local Currencies

<b>Region</b>	<b>Currency</b>	<b>YOY Change Ratio</b>
<b>Japan</b>	<b>JPY</b>	<b>-9.0%</b>
<b>U.S.</b>	<b>USD</b>	<b>10.1%</b>
<b>Europe</b>	<b>EUR</b>	<b>3.5%</b>
<b>China</b>	<b>CNY</b>	<b>4.2%</b>
<b>Korea</b>	<b>KRW</b>	<b>27.2%</b>
<b>Australia</b>	<b>AUD</b>	<b>-9.4%</b>
<b>Singapore</b>	<b>USD</b>	<b>43.8%</b>
<b>Hong Kong</b>	<b>USD</b>	<b>-5.1%</b>



# Quarterly Trend by Region

(Unit: Million JPY)



# Consolidated B/S

(Unit: Million JPY)

	End of Mar. 2014	End of Jun. 2014	Change
Current assets	40,073	33,596	-6,478
Noncurrent assets	10,786	10,735	-51
<b>Total assets</b>	<b>50,859</b>	<b>44,330</b>	<b>-6,529</b>
Current liabilities	16,239	13,042	-3,197
Noncurrent liabilities	1,820	1,641	-179
<b>Total liabilities</b>	<b>18,060</b>	<b>14,683</b>	<b>-3,376</b>
Minority interest in subsidiaries	0	0	0
<b>Net assets</b>	<b>32,799</b>	<b>29,647</b>	<b>-3,153</b>
<b>Total liabilities and Net assets</b>	<b>50,859</b>	<b>44,330</b>	<b>-6,529</b>
Equity ratio	64.2%	66.5%	2.3%
Book value per share (JPY)	196	177	-19

## Assets

- Decrease in cash and cash equivalents -3,415  
(payments of income tax, dividend, etc.)
- Decrease in notes and accounts receivable-trade (Decrease in sales) -3,498
- Decrease in investment and other assets -368  
(Valuation difference on available-for-sale securities, etc.)
- Increase in intangible fixed assets 444  
(Increase in software suspense account for IT infrastructure, etc.)

## Liabilities

- Decrease in accounts payable -1,715
- Decrease in income tax payable -1,786

## Net assets

- Decrease in shareholders' equity -2,769  
(03/14 31,939 ⇒ 06/14 29,170)

# Consolidated C/F

(Unit: Million JPY)

	1Q FY 3/14	1Q FY 3/15	YoY Change
	4/13-6/13	4/14-6/14	Amount
C/F from operating activities	-2,101	-8	2,093
C/F from investing activities	-7,851	-725	7,126
C/F from financing activities	-1,732	-2,592	-860
Effect of change in exchange rate	283	-90	-373
Increase-decrease of cash & cash equivalent	-11,400	-3,415	7,985
Beginning balance of cash & cash equivalent	21,596	15,394	-6,202
Ending balance of cash and cash equivalent	10,197	11,979	1,783

## C/F from operating activities

- Income tax paid -1,848
- Decrease in notes and accounts payable-trade -1,642
- Increase in inventories -787
- Decrease in Notes and Accounts Receivable-trade 3,584
- Increase in Depreciation and Amortization 462

## C/F from investing activities

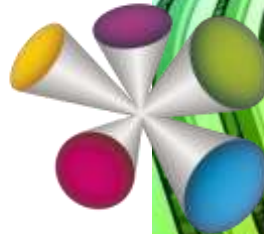
- Purchase of fixed assets -730  
(Global IT infrastructure, etc.)

## C/F from financing activities

- Cash dividends paid -2,592

# FY 03/15

# Basic Policy and Business Focus



# Business Environment for FY 03/15

- Global economy will continue to steadily expand, supported by monetary policies in developed countries. The weakness of economic growth in emerging countries will continue.
- Smartphones and tablets, cloud and community to establish new IT platforms. On-line and e-Commerce as primary channel for consumers.
- UI technology frontier to expand beyond multi-touch toward pen and ink, and others.
- Creative segment continues to grow with mobile use case extension and display products expansion.
- Mobile stationery and accessory market will continue to grow with broader application availability.
- e-Doc and secure workflow continue to gain momentum and expand to mobile platforms.

# Basic Strategies and Goals

- Expand the business model from PC to mobile and Cloud
- Achieve P&L plan as 2nd year of WAP1215 (revised)
- Build new Brand business categories for growth
- Enhance Component business foundation and accelerate growth
- Accelerate business in U.S. and invest in emerging markets
- Build competitive SCM/SQM foundation
- Invest in new technologies and product development
- Build global organization for competitive leadership

# Brand Business Basic Policies

- Transition to cluster-based business model
  - Reorganize Creative business line and reestablish brand framework
  - Establish Consumer business model in digitalization of stationery field
  - Expand digital signature and workflow solution business
- Accelerate growth and develop new customers by new products
  - Launch new mobile product line and expand consumer product line
  - Expand software products for improved customer experience
  - Invest in new dedicated team for emerging markets
- Enhance leadership by improving brand marketing
  - Establish user communities by Global Web, SNS
  - Enhance global marketing capabilities
- Achieve FY 03/15 growth target as 2nd Year of WAP1215 (revised)
  - Maximize the new product potential by global Web marketing
  - Expand online marketing and e-commerce

# Component Business Key Focus

- Establish global leadership in mobile device categories
  - Enhance strategic smartphone partnership and maximize growth
  - Establish leadership in Windows 8 and Android tablet categories
  - Extend pen adoption to e-Book and e-Note categories
- Invest in new technology and new generation product line
  - Develop and launch Active ES pen technology
  - Establish leadership in Windows 8 and Android tablet categories
  - Extend pen adoption to educational market and e-Book categories
- Build business and expand market for touch controller
  - Develop and expand adoption of controller IC for tablets and other mobile devices
- Build component organization for growth
  - Establish SCM & SQM organization for higher customer satisfaction
  - Expand pen OEM partnership for market growth
  - Enhance touch panel SCM infrastructure



# Corporate Function Basic Policy

- Build stronger global business support capabilities
  - Improve group finance and management accounting process
  - Accelerate global IT platform development
  - Enhance global legal and IP team
- Establish new global HR system
  - Build new leadership model for next generation global leadership
  - Implement global performance management frameworks and systems
  - Enhance HR support across all business
- Evolve IR activities and enhance corporate communication
  - Promote understanding of WAP1215
- Provide support for global projects

# Main Factors for Forecast Revision

## Decrease in sales forecast

- Brand Business
  - Delay of recovery from consumer confusion stemming from brand integration in pen tablet products
  - Delay of developing market for expanded product line in mobile products
  - Slowing demand for large-sized display products
  - Faced price reduction in stylus products market in the Consumer Business
- Component Business
  - Decreased demand for smartphone.
  - Decreased demand for high-end tablet models, not expected to recover in the short term
  - limited contribution by newly developed Active-ES pens for FY 3/15

## Increase in SG&A Ratio

- Corporate Function
  - Endeavoring to manage SG&A expenses which it's difficult to reduce significantly for executing global projects

# Main Factors for Forecast Revision

## Estimates for major projects

(Unit: Million JPY)

	FY 3/14	1Q FY 3/15	YOY Change
	4/13-3/14	4/14-3/15	Amount
Reconstruction of global SCM structure	300	1,500	1,200
Global HR project	90	300	210
WILL project	0	80	80
合計	390	1,880	1,490

- Reconstruction of global SCM (supply chain management) structure
  - Support of e-commerce and centralization of ordering system, production management, and logistics management for all Wacom groups
  - Promotion of rapid decision-making by real-time information sharing and global ERP system integration
- Global HR project
  - Transition to a global organization by business category and integration of human resource management system
- WILL (Wacom Ink Layer Language) project
  - Establishment of digital ink standard and expansion of the ink application

# Assumptions for FY 03/15 Forecast

- **Market demand based on review (mid-July. 2014)**
- **FX rate assumptions for FY 3/15 since August**  
(FX rates in July were TTM rates as of end-June.)
  - 1 USD = 100 JPY (no revision)
  - 1 EURO = 135 JPY (no revision)
- **Foreign exchange sensitivity: 12-month forecast (revised)**

(Unit: Million JPY)

Currencies	USD	EURO
Unit of sensitivity	JPY 1	JPY 1
Sales	550	100
Operating profit	0	70

\* A stronger yen has a negative effect while a weaker yen has a positive effect.

\* Foreign exchange sensitivities before the revision:

USD Sales 660 million JPY, Operating profit 20 million JPY

EURO Sales 120 million JPY, Operating profit 80 million JPY

# Assumptions for FY 03/15 Forecast

- **Capital expenditure**

5.50 billion (+58.8% YOY) (**revised**) (previous plan 4.90 billion)

Key items: IT systems to form global organizations (**increased**), molds, etc.

- **Depreciation**

2.30billion (+26.9% YOY) (**no revision**)

- **R&D expense**

3.10 billion (+8.3% YOY) (**no revision**)

Key items: Development of new products in Brand business, development of IC for Active ES Pen and others, and basic technology research, etc.

# Forecast of Results for FY 03/15 (YOY)

(Unit: Million JPY)

	1H FY 3/14		1H FY 3/15		YoY
	04/13-09/13		04/14-09/14		Growth rate
<b>Sales</b>	<b>34,440</b>		<b>35,070</b>		<b>1.8%</b>
<b>OP</b>	<b>3,059</b>	<b>8.9%</b>	<b>1,750</b>	<b>5.0%</b>	<b>-42.8%</b>
<b>RP</b>	<b>2,982</b>	<b>8.7%</b>	<b>1,820</b>	<b>5.2%</b>	<b>-39.0%</b>
<b>NP</b>	<b>1,958</b>	<b>5.7%</b>	<b>1,230</b>	<b>3.5%</b>	<b>-37.2%</b>

	FY 3/14		FY 3/15		YoY
	04/13-03/14		04/14-03/15		Growth rate
<b>Sales</b>	<b>78,615</b>		<b>78,700</b>		<b>0.1%</b>
<b>OP</b>	<b>8,663</b>	<b>11.0%</b>	<b>5,500</b>	<b>7.0%</b>	<b>-36.5%</b>
<b>RP</b>	<b>8,282</b>	<b>10.5%</b>	<b>5,540</b>	<b>7.0%</b>	<b>-33.1%</b>
<b>NP</b>	<b>5,249</b>	<b>6.7%</b>	<b>3,700</b>	<b>4.7%</b>	<b>-29.5%</b>

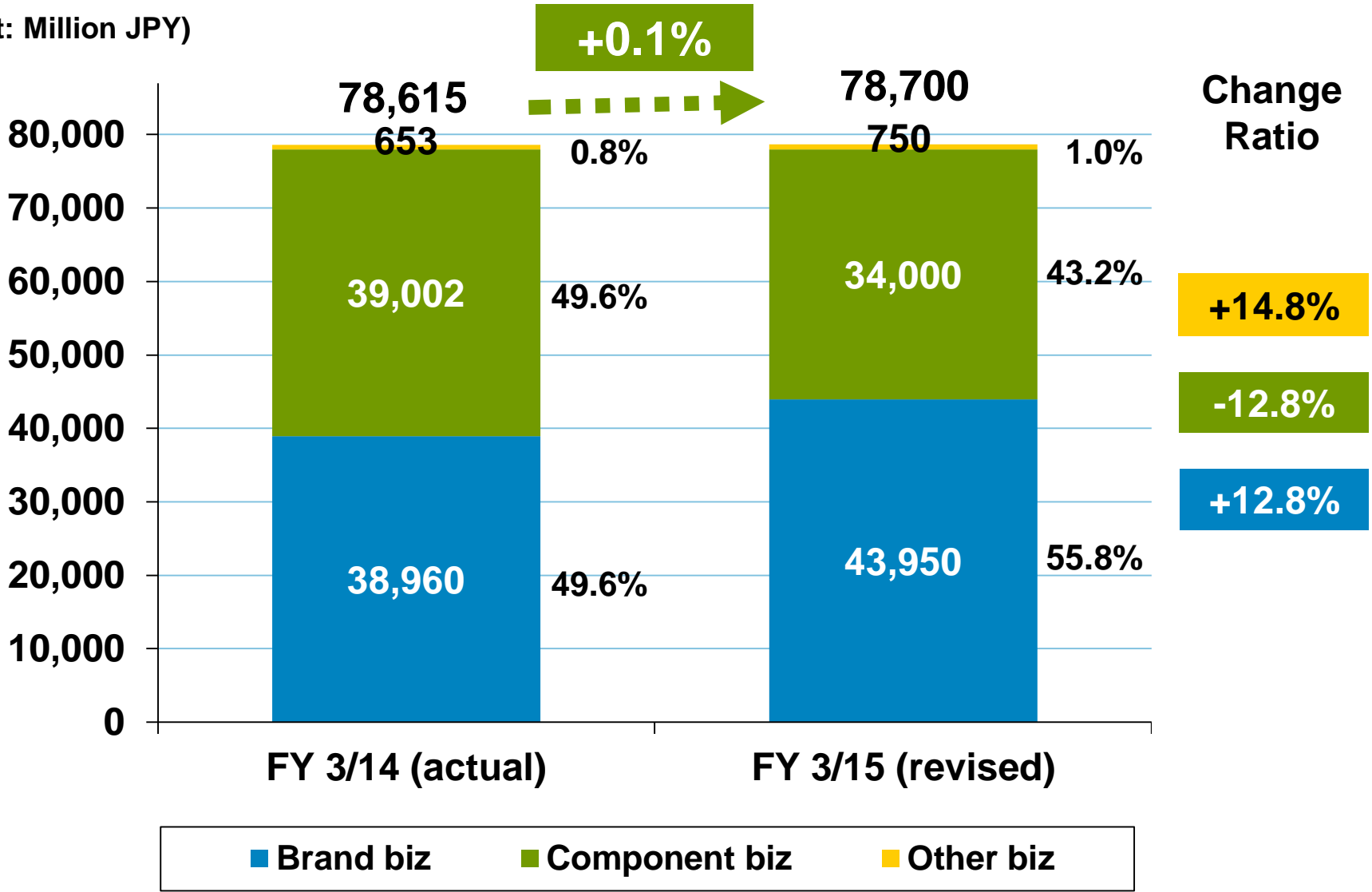
# Forecast of Results by Business Line

(Unit: Million JPY)

	FY 3/14 (actual)	FY 3/15 (forecast)	YOY Change	
	04/13-03/14	04/14-03/15	Amount	Ratio
<b>Sales</b>	<b>78,615</b>	<b>78,700</b>	<b>85</b>	<b>0.1%</b>
Brand biz	38,960	43,950	4,990	12.8%
Component biz	39,002	34,000	-5,002	-12.8%
Other biz	653	750	97	14.8%
<b>Operating Profit</b>	<b>8,663</b>	<b>5,500</b>	<b>-3,163</b>	<b>-36.5%</b>
Brand Biz	5,214	5,450	236	4.5%
Component biz	6,667	4,500	-2,167	-32.5%
Other biz	123	150	27	22.4%
Corp. and others	-3,341	-4,600	-1,259	37.7%
<b>OPM</b>	<b>11.0%</b>	<b>7.0%</b>		

# Sales Forecast by Segment

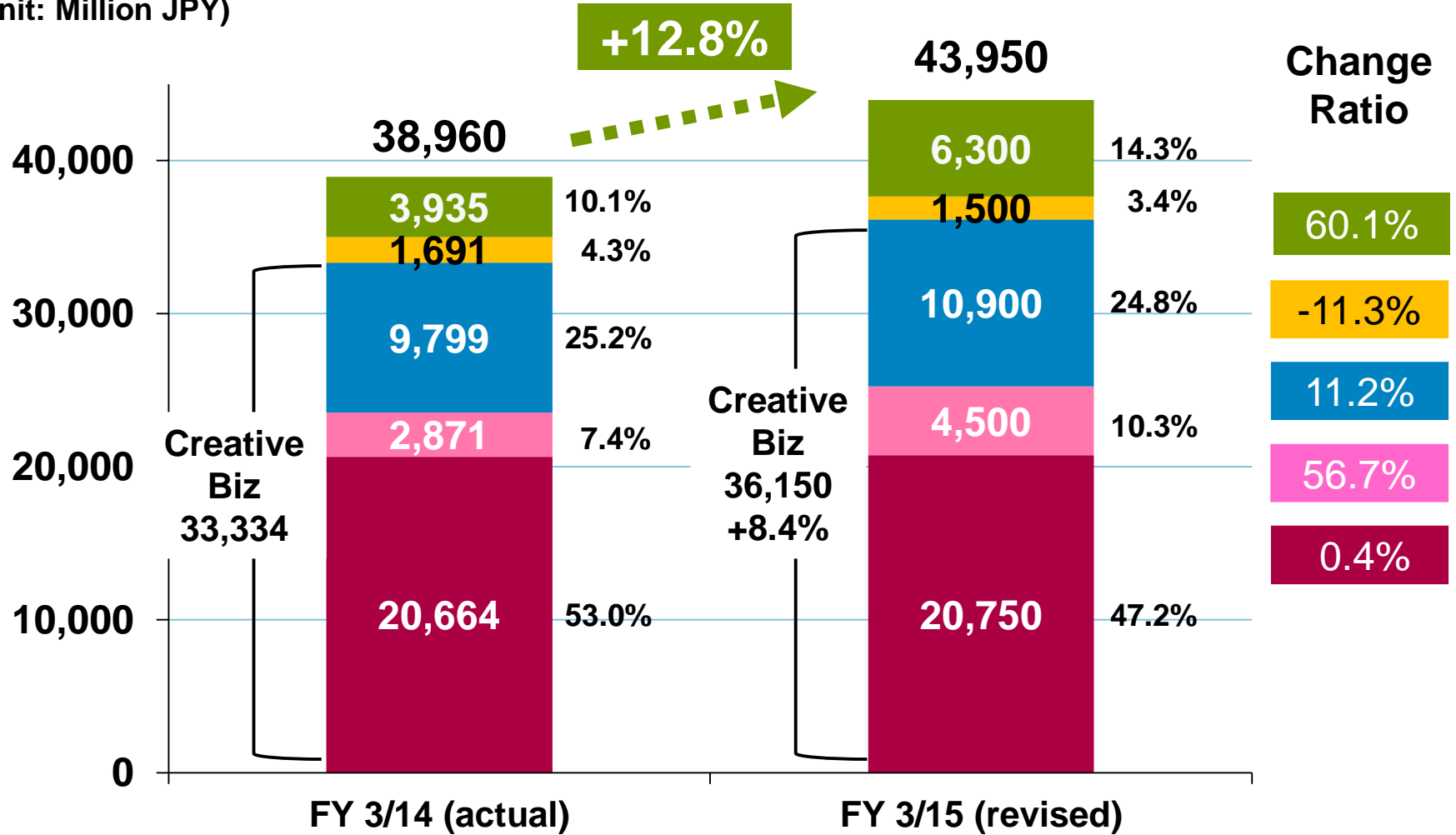
(Unit: Million JPY)





# Sales Forecast by Product line in Brand

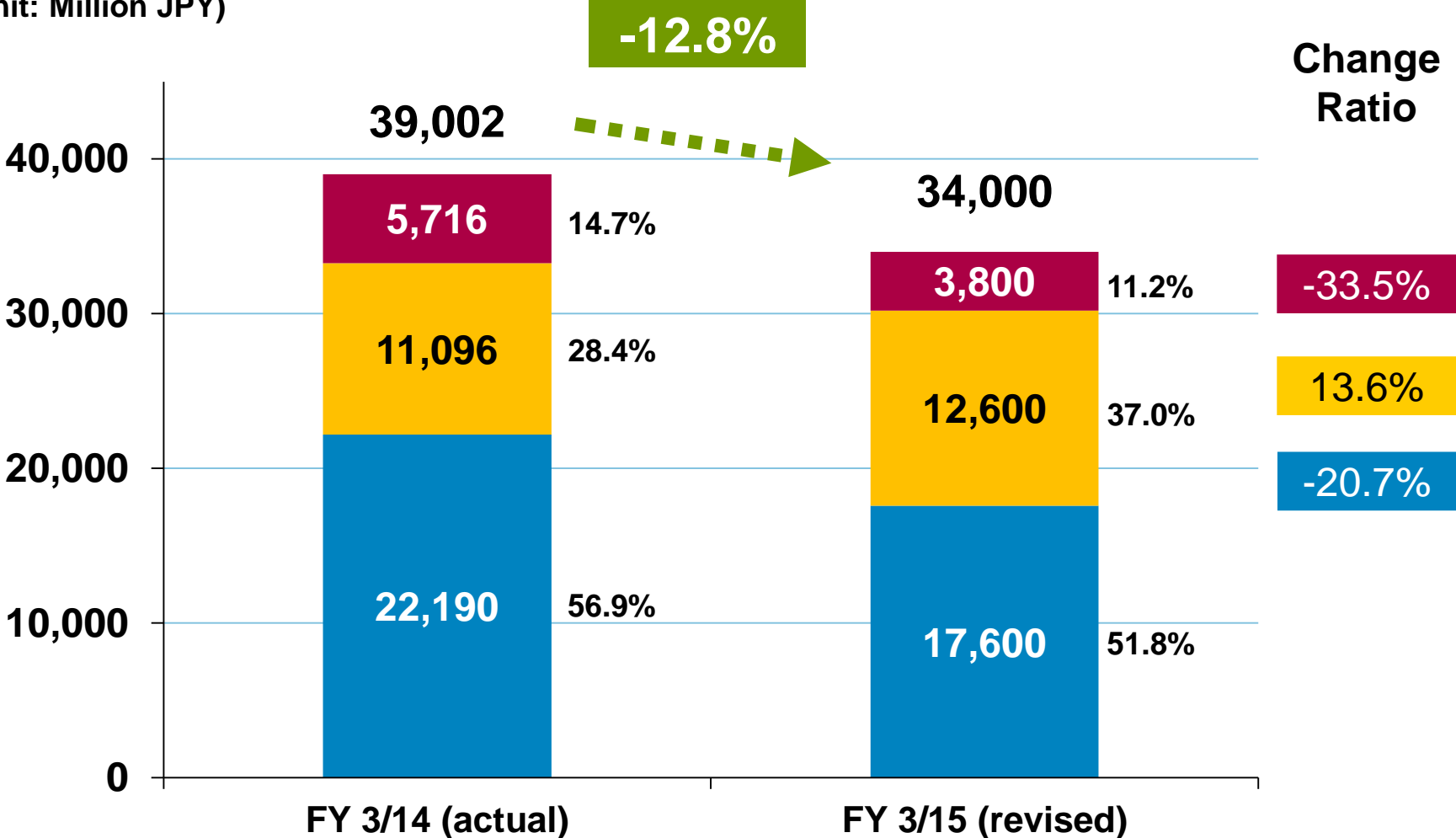
(Unit: Million JPY)



■ Creative Tablet ■ Creative Mobile ■ Creative Display ■ Consumer ■ VM

# Sales Forecast by Product line in Comp.

(Unit: Million JPY)

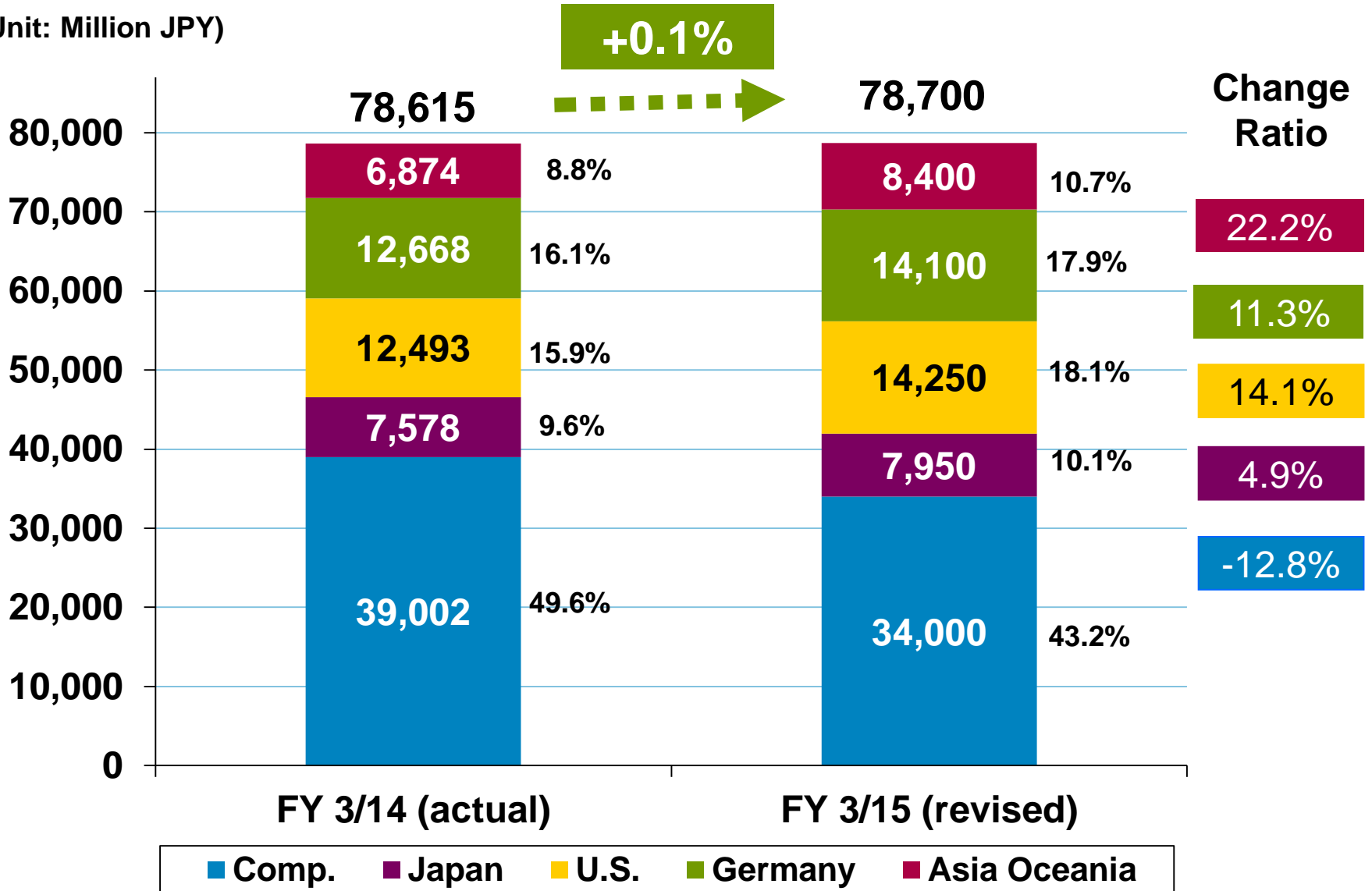


■ Pen for Smartphone    ■ Pen for Tablet    ■ Pen for Notebook PC, etc.

(Note) The Component business is reclassified by three categories. Sales of "For touch use" in FY3/14 is included in "For notebook PCs, etc."

# Sales Forecast by Region

(Unit: Million JPY)



# Forecast of Results for FY 03/15 (vs. initial)

(Unit: Million JPY)

	1H FY 3/15 (initial)		1H FY 3/15 (revised)		Change rate
	04/14-09/14		04/14-09/14		
<b>Sales</b>	<b>38,800</b>		<b>35,070</b>		<b>-9.6%</b>
<b>OP</b>	<b>3,360</b>	<b>8.7%</b>	<b>1,750</b>	<b>5.0%</b>	<b>-47.9%</b>
<b>RP</b>	<b>3,340</b>	<b>8.6%</b>	<b>1,820</b>	<b>5.2%</b>	<b>-45.5%</b>
<b>NP</b>	<b>2,230</b>	<b>5.7%</b>	<b>1,230</b>	<b>3.5%</b>	<b>-44.8%</b>

	FY 3/15 (initial)		FY 3/15 (revised)		Change rate
	04/14-03/15		04/14-03/15		
<b>Sales</b>	<b>92,000</b>		<b>78,700</b>		<b>-14.5%</b>
<b>OP</b>	<b>10,500</b>	<b>11.4%</b>	<b>5,500</b>	<b>7.0%</b>	<b>-47.6%</b>
<b>RP</b>	<b>10,450</b>	<b>11.4%</b>	<b>5,540</b>	<b>7.0%</b>	<b>-47.0%</b>
<b>NP</b>	<b>6,970</b>	<b>7.6%</b>	<b>3,700</b>	<b>4.7%</b>	<b>-46.9%</b>

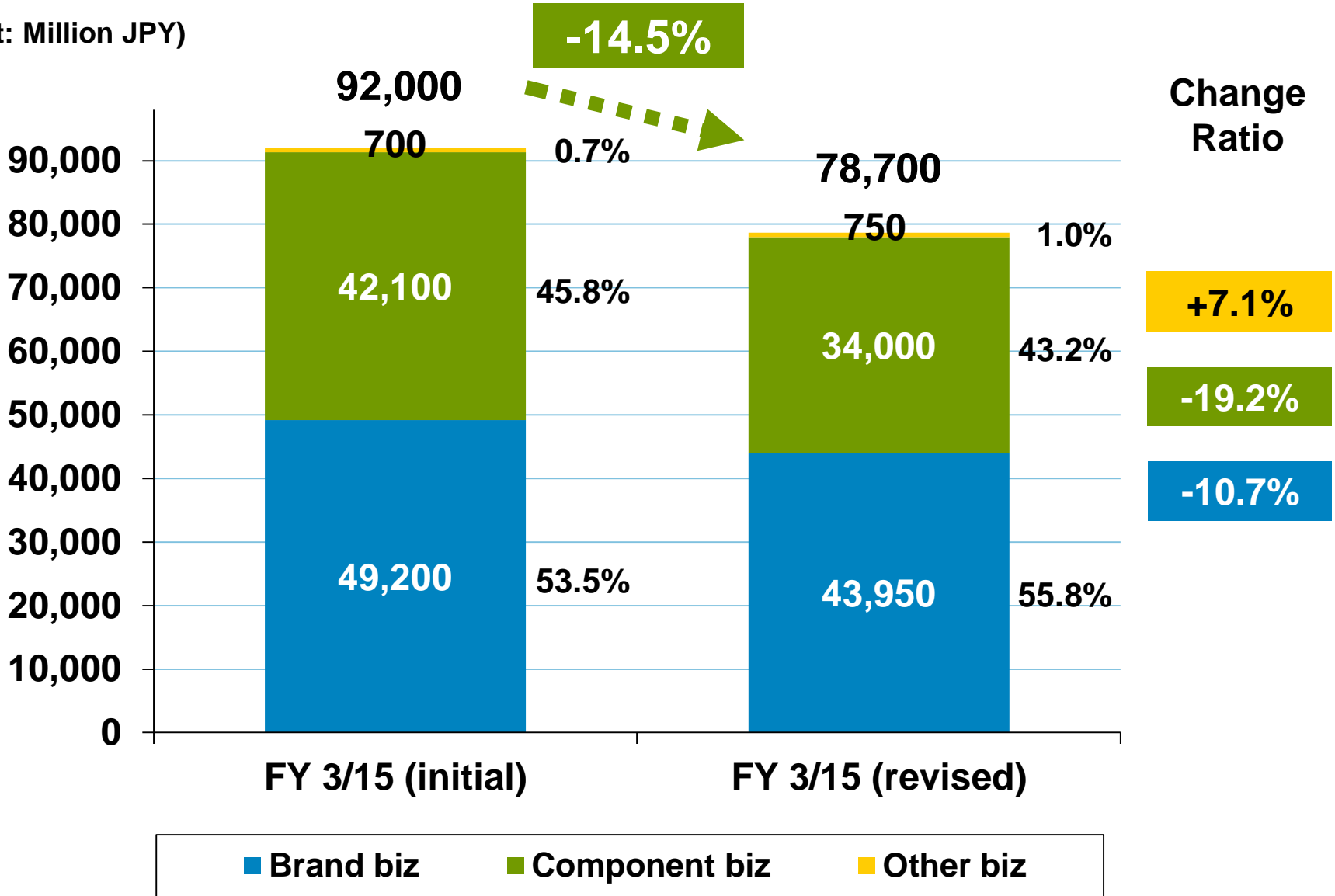
# Forecast of Results by Business Line (vs. initial)

(Unit: Million JPY)

	FY 3/15 (initial)	FY 3/15 (revised)	Change	
	04/14-03/15	04/14-03/15	Amount	Ratio
<b>Sales</b>	92,000	78,700	-13,300	-14.5%
Brand biz	49,200	43,950	-5,250	-10.7%
Component biz	42,100	34,000	-8,100	-19.2%
Other biz	700	750	50	7.1%
<b>Operating Profit</b>	10,500	5,500	-5,000	-47.6%
Brand Biz	7,320	5,450	-1,870	-25.5%
Component biz	7,200	4,500	-2,700	-37.5%
Other biz	130	150	20	15.4%
Corp. and others	-4,150	-4,600	-450	10.8%
<b>OPM</b>	11.4%	7.0%		

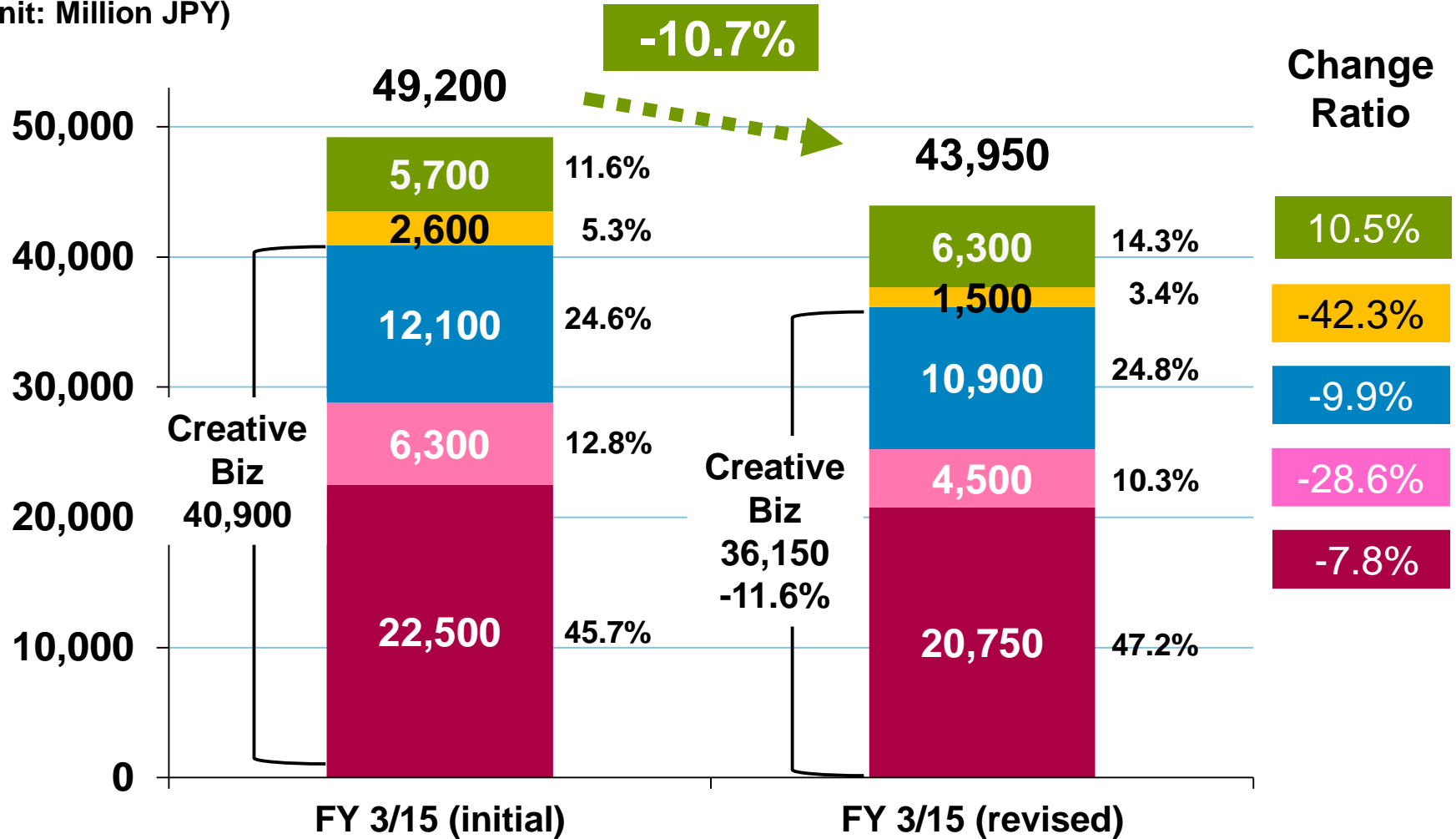
# Sales Forecast by Segment

(Unit: Million JPY)



# Sales Forecast by Product line in Brand

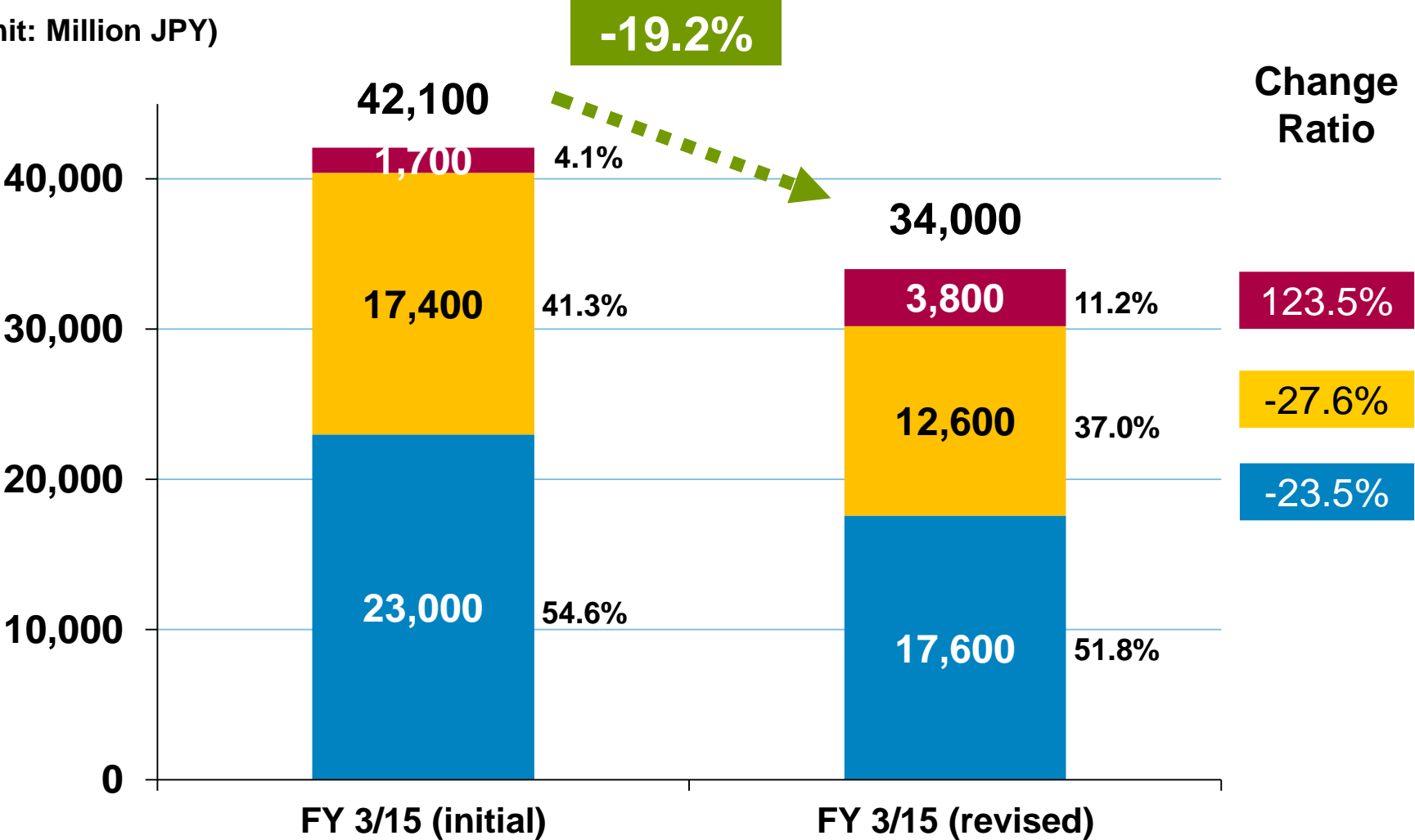
(Unit: Million JPY)



■ Creative-Tablet ■ Creative-Mobile ■ Creative-Display ■ Consumer ■ VM

# Sales Forecast by Product line in Comp.

(Unit: Million JPY)



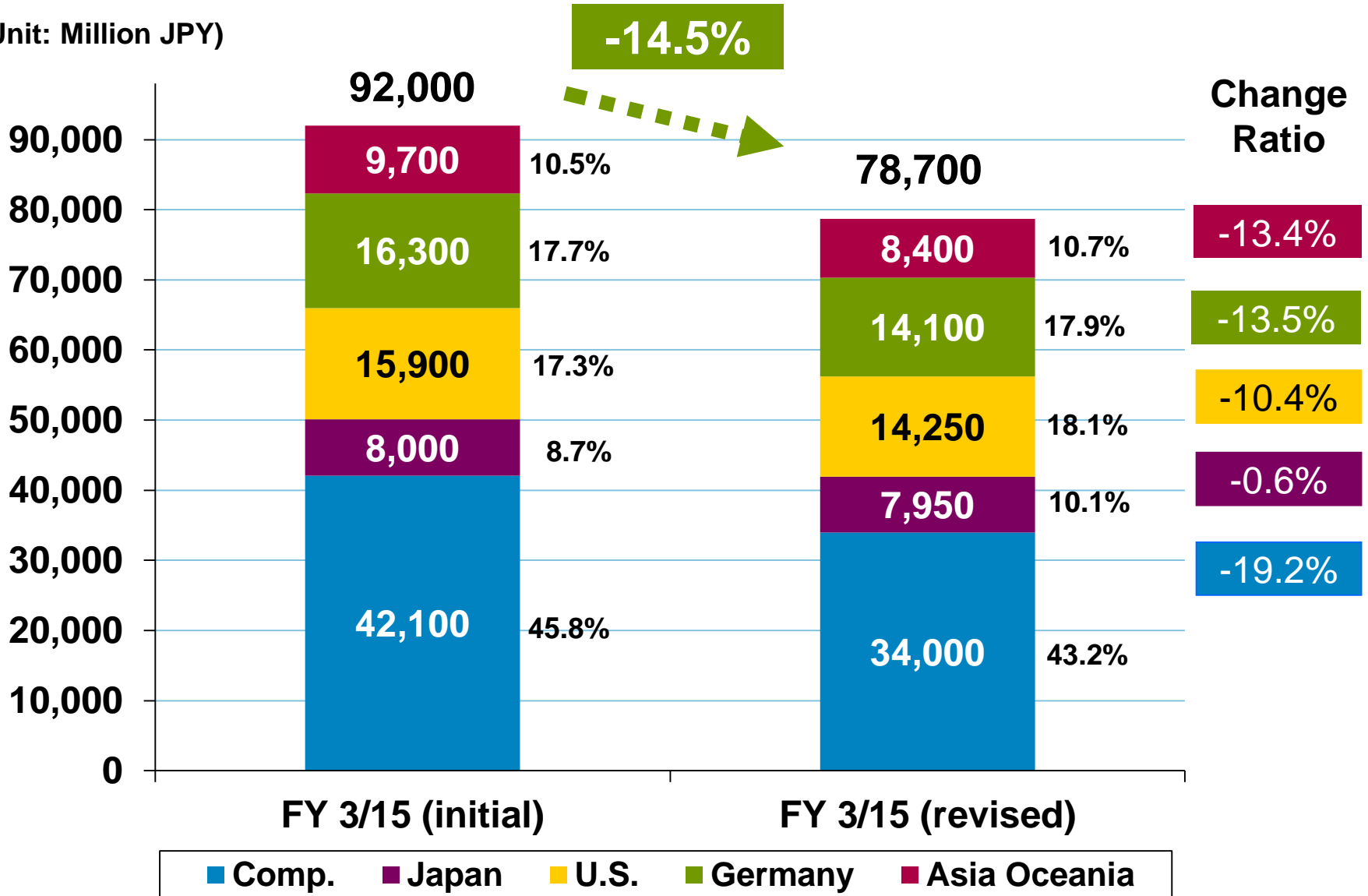
■ Pen for Smartphone   ■ Pen for Tablet   ■ Pen for Notebook PC, etc.

(Note) The Component business is reclassified by three categories. Sales of "For touch use" in FY3/14 is included in "For notebook PCs, etc."



# Sales Forecast by Region

(Unit: Million JPY)



# Dividend Forecast for FY 03/15

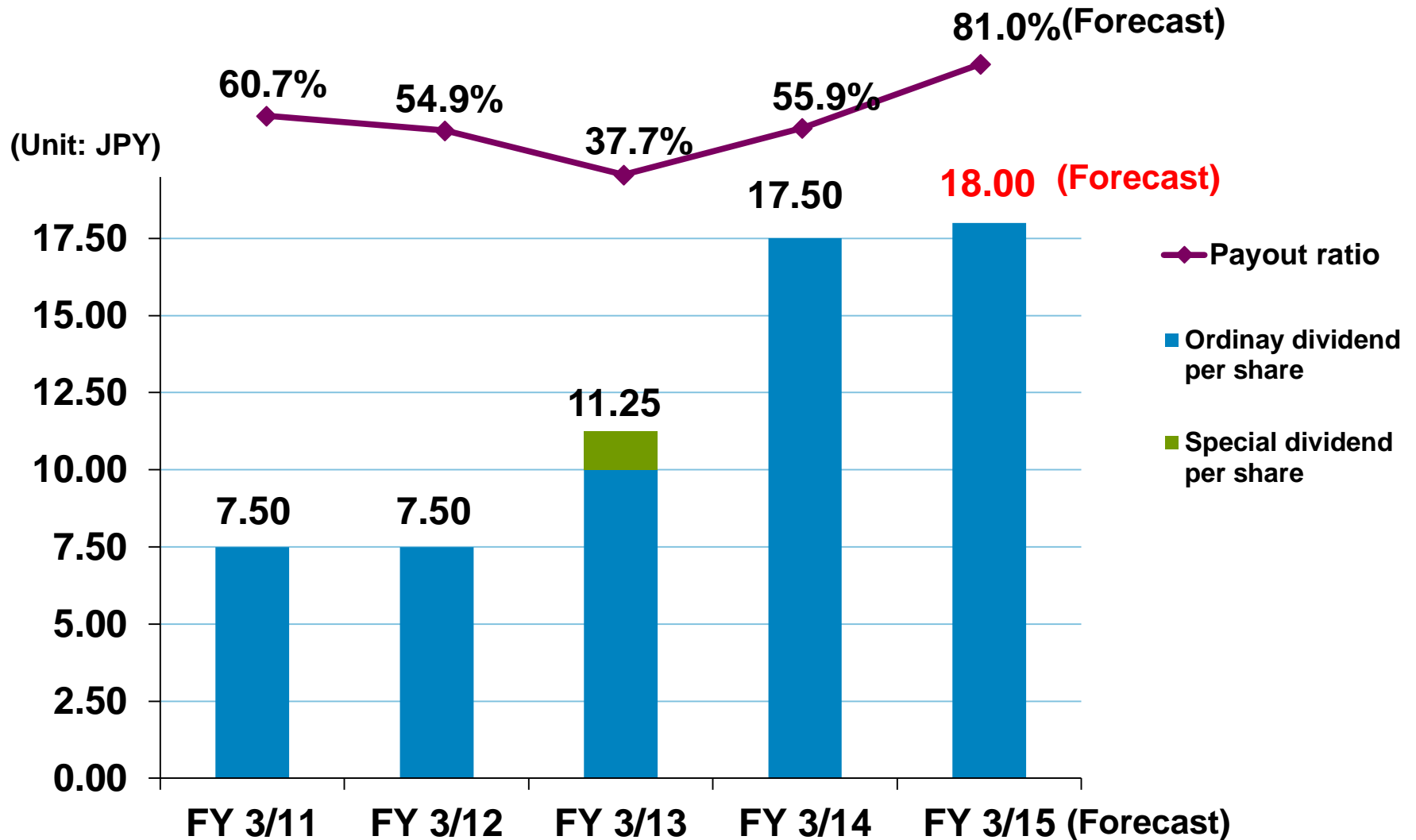
- **Dividend policy**

- Continue steady dividend payout to shareholders while maintaining a stable financial base necessary for future business development (no revision)
- Target payout ratio maintains approximately 40% or more to attract global investment. (no revision)

- **Dividend per share (no revision)**

- JPY 18.00 per share for FY 03/15  
(JPY 17.50 per share for FY 03/14 )
- Payout ratio 81.0%

# Dividends per Share





A WORLD ALIVE WITH CREATIVITY.

Our Vision

wacom®



WE INSPIRE AND EQUIP PEOPLE  
TO MAKE THE WORLD  
A MORE CREATIVE PLACE.

Our Mission

wacom®

our brand

OPEN UP.  
SENSE MORE.

*for a creative world™*



wacom®

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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.

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