

For reference (Translation in English)

April 30, 2014

Wacom Co., Ltd.

Representative: Masahiko Yamada, CEO

(Company Code: 6727 TSE1)

Contact: Wataru Hasegawa, CFO

(TEL: 0120-056-665)

Re: Revision of Medium-Term Business Plan

At a meeting held on April 30, 2014, the Board of Directors of Wacom resolved to revise “New Medium-Term Business Plan: WAP1215” (three-year plan) starting from fiscal year ending March, 2014. Please refer to the details below.

1. Background of Revision of “New Medium-Term Business Plan: WAP1215” (Wacom Action Plan for Changing Platform)

In October, 2012, Wacom group announced “New Medium-Term Business Plan WAP1215 ” (aiming to achieve consolidated sales of 120 billion JPY or more and an operating profit margin of 15% or more by FY March, 2016). However, we were forced to increase investment in order to respond to changes in the business environment and the subsequent changes to sales. As a result, the company decided to revise its Medium-Term Business Plan.

The change in business environment was due to sluggish growth in the pen tablet market due to user demand shifting from PC to tablet, abrupt price reduction of stylus pens in our Consumer business, the deceleration of growth of high-end products in the smart phone market, and a severe price drop in the tablet market.

Impacted by these changes in the business environment, sales have not progressed as well as we anticipated because of changes in the product mix due to sluggish growth in pen tablet markets and a shift to display products, shortage of financial goals for new mobile products and stylus pens, and stagnating demand for touch sensor systems for high-end products.

Meanwhile, sales of display products progressed more favorably anticipated. In order to respond to these changes in the business environment, investment is expected to increase. As a result of above, Wacom decided to extend the term of the Medium-Term Business Plan by one year to FY ending March, 2017 and to raise the consolidated sales target by 15 billion JPY to 135 billion JPY, while maintaining our basic strategy.

2. Outline of the revised “New Medium-Term Business Plan: WAP1215” (Wacom Action Plan for Changing Platform)

Financial Goals (Revised)

By FY ending March, 2017 (revised)

- Consolidated sales: 135 billion Japanese yen or higher (revised)
- Consolidated operating profit margin: 15% or higher
- Consolidated ROE: 30 % or higher

Assumed foreign exchange rate (Revised)

100 JPY/ 1USD, 135 JPY/ 1EURO

Basic Strategy (Not revised)

Expand business platform from PC to mobile and Cloud, create new business and grow existing business

Growth Strategy (Not revised)

- Expand business platform from PC to mobile and Cloud
- Accelerate the Branded product business
- Accelerate the Component business
- Enhance global SCM (supply chain management) systems and capabilities
- Promote development of a global organization
- Enhance global IT infrastructure
- Accelerate development of new user interface technology
- Accelerate investment in emerging markets

Brand Business Growth Strategy (Not revised)

- Extend brand leadership and build user community
- Accelerate growth of creative business
- Develop new consumer business
- Develop vertical market business
- Invest in and expand emerging market business
- Enhance new user interface technology development, and new products development

Component Business Growth Strategy (Revised)

- Enhance leadership in Smartphone and Tablet segments
- Expand users in education and e-Book categories
- Establish WILL (Wacom Ink Layer Language) partnership
- Invest in automation technology for digital pen production and reduce product cost

Global Strategy (Not revised)

- Enhance global SCM systems and capabilities
- Accelerate investment and growth in emerging markets
- Promote development of a global organization

Additional Investment Strategy (Revised)

- Extend technology base, develop and deliver new Active ES pen
- Promote new digital ink standard by WILL(Wacom Ink Layer Language)
- Build Wacom Cloud platform and user communities
- Enhance pen production capability and invest in automation technology
- Invest in business infrastructure to support globalization of business model

Dividend payout policy (Revised)

Payout ratio is targeted for maintaining 40% or more on a consolidated basis

(Comparative chart)

Changes	Before revision	After revision
The target plan period	By FY ending March, 2016	By FY ending March, 2017
The consolidated sales target	120billion JPY or higher	135billion JPY or higher
Assumed Foreign exchange rate	75 JPY/ 1USD, 100 JPY/ 1EURO	100 JPY/ 1USD, 135 JPY/ 1EURO
Component Business Growth Strategy	<ul style="list-style-type: none"> •Maximize growth in Smartphone segment •Establish pen technology leadership in tablet and e-Book categories •Strengthen multi-touch IC and module solution business •Enhance engineering, SCM and QA capabilities •Accelerate innovation in user interface technologies 	<ul style="list-style-type: none"> •Enhance leadership in Smartphone and Tablet segments •Expand users in education and e-Book categories •Establish WILL (Wacom Ink Layer Language) partnership •Invest in automation technology for digital pen production and reduce product cost
Additional Investment Strategy		<ul style="list-style-type: none"> •Extend technology base and s develop and deliver new Active ES pen •Promote new digital ink standard by WILL(Wacom Ink Layer Language) •Build Wacom Cloud platform and user communities •Enhance pen production capability and invest in automation technology •Invest in business infrastructure to support globalization of business model
Dividend payout policy	Payout ratio to be 40% or more by FY ending March, 2016	Payout ratio is targeted for maintaining 40% or more on a consolidated basis

Details of revised "Revision of Medium-Term Business Plan" posted on IR website (<http://wacom.jp/en/company/ir/library/index.html>).

Concluded