

Revision of Forecasts of both Consolidated Financial Results and Dividend for the Fiscal Year Ending March 31, 2017 (FY2016)

Tokyo, August 5, 2016 ----- Wacom Co., Ltd. (the "Company") announced that forecasts of both its consolidated financial results and dividend for FY2016 were revised as indicated below. The previous forecasts were announced and posted in Wacom's website on May 11, 2016.

1. Revised consolidated financial forecast

For the first half (H1) of FY2016 (period between April 1 and September 30, 2016)

	Net sales (millions of yen)	Operating income (millions of yen)	Ordinary income (millions of yen)	Net profit (millions of yen)	Net profit per share (yen)
Previously announced forecast (A)	37,230	100	70	50	0.30
Updated forecast (B)	34,180	-1,070	-1,140	-870	-5.31
Amount of changes (B-A)	-3,050	-1,170	-1,210	-920	
Percentage change (%: B to A)	-8.2	-	-	-	
(Reference) Results for the previous fiscal year (C)	38,956	2,053	2,098	1,261	7.62
Percentage change (%: B to C)	-12.3	-	-	-	-

For full year of FY2016 (period between April 1, 2016 and March 31, 2017)

	Net sales (millions of yen)	Operating income (millions of yen)	Ordinary income (millions of yen)	Net profit (millions of yen)	Net profit per share (yen)
Previously announced forecast (A)	82,000	4,200	4,140	3,000	18.24
Updated forecast (B)	77,900	2,400	2,300	1,620	9.89
Amount of changes (B-A)	-4,100	-1,800	-1,840	-1,380	
Percentage change (%: B to A)	-5.0	-42.9	-44.5	-46.0	
(Reference) Results for the previous fiscal year (C)	77,568	3,664	3,777	2,310	14.00
Percentage change (%: B to C)	0.4	-34.5	-39.1	-29.9	-

Principal Reasons for Consolidated Results Forecast Revisions

H1 of FY2016:

Sales forecast of the Brand Business was revised downward from the previous forecast due to rapid appreciation of Japanese yen. In addition, sales of some products are expected to continue struggling, facing transition to next generation in its product life cycle. As a result, mainly due to performance of Brand Business, all of consolidated sales, operating income, ordinary income and profit attributable to owners of parent were revised downward.

Full year of FY2016:

Sales forecast of the Brand Business was revised downward from the previous forecast. Although new products are planned to be introduced into market in this second half of the fiscal year and its contribution to sales expansion is expected to offset slackness in the first half, it is not expected to sufficiently overcome forex impact for full year. The Technology Solution Business is not expected to substantially deviate from the previous forecast except for forex impact, however, sales were revised downward after inclusion of forex impact. As a result, consolidated sales were revised downward due to performance of both Businesses. Operating income, ordinary income and profit attributable to owners of parent were revised downward mainly due to performance of Brand Business.

Other factors

Reflecting on the recent trend of forex market, the average currency rates used for the revised forecast for the remaining period of FY2016 have been changed to 103 yen (to one dollar) from 110 yen used for the previous forecast for USD/JPY, as well as 114 yen (to one euro) from 125 yen for EUR/JPY.

2. Revised dividend forecast

For the fiscal year ending March 31, 2017

	Annual dividend per share (yen)		
	After Q2 end	After FY end	FY total
Previously announced forecast (A)	0.00	18.00	18.00
Updated forecast (B)	0.00	12.00	12.00
(Reference) The current FY actual			
The previous FY actual	0.00	18.00	18.00

Principal Reasons for Dividend Forecast Revision

The Company's dividend payout policy aims to maintain stable payouts while ensuring necessary retained earnings for future business development and sound financial base. In accordance with the above consolidated results forecast revisions, to respond to lower results from the previous forecast from the standpoint of ensuring sound financial base, dividend forecast for the fiscal year ending March 31, 2017 was revised downward by 6.00 yen per share from 18.00 yen to 12.00 yen. We will strive for profitability improvement in order to increase dividend payout in its earliest manner.

Note: The above forecasts are based on currently available information and assumptions of uncertainties which can influence future results as of the announcement date. Please note that actual results could materially differ from these forecasted results due to various factors.

(*) This is translated to English from a Japanese announcement solely for convenience of non-Japanese readers.