

January 30, 2015
Wacom Co., Ltd.
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Revisions of Business Forecast for FY14

Wacom announces its revisions of consolidated FY14 Business Forecast based on recent business conditions. The former business forecast was disclosed on July 30, 2014.

Please refer to the details below.

1. Consolidated FY14 Forecast Revision (from April 1, 2014 to March 31, 2015)

\	Sales mY	Operating Profit mY	Recurring Profit mY	Net Profit mY	Net Profit per Share Outstanding Yen Sen
Former Forecast (A)	78,700	5,500	5,540	3,700	22.23
Revised Forecast (B)	78,700	6,200	5,900	3,480	20.90
Change in Amount (B-A)	0	700	360	-220	
Change in Ratio (%) (B to A)	0.0	12.7	6.5	-5.9	
Former Results (FY14) (C)	78,615	8,663	8,282	5,249	31.31
Change in Ratio (%) (B to C)	0.1	-28.4	-28.8	-33.7	

2. Reasons

We estimate sales to progress in accordance with the previous forecast. Operating profit is expected to exceed our former forecast owing to savings of ¥700 million achieved through reductions in sales costs and SG&A expenses. During FY14, we strengthened our cost management while investing in restructuring the global supply chain system, the global human resources project, and the WILL (Wacom Ink Layer Language) project. On the other hand, we expect our net profit in 3Q to fall below our previous forecast by ¥220 million due to a loss on sale of noncurrent assets such as company-owned houses.

In the Brand Business, we can see signs of recovery in 3Q owing to the impact of effective global holiday campaigns driving favorable pen tablet sales in the Creative Business. We anticipate the

overall sales of the Brand Business to exceed our former forecast due to the continuation of a weak yen.

In the Component Business, we initially predicted a sharp drop in the demand in the smartphone market; however, we estimate the extent of decrease in the full-year sales for smartphones to be less than previously forecast owing to favorable shipments that started from 3Q. Meanwhile, we anticipate only a slight recovery in the demand for tablets in FY14 due to the unexpected slow growth of market demand. We estimate the overall sales of the Component Business to be less than previously forecast.

3. Other

Based on current foreign exchange rates, we plan to revise our corporate exchange rate assumption of the US dollar from ¥100 per dollar to ¥110 from February 1, 2015. We do not plan to revise our assumed euro yen rate, which will remain at ¥135 per euro. (We adopted the TTM rate at the end of December, 2014, with ¥120.55 per US dollar and ¥146.54 per euro as the exchange rate for January, 2015.)

There is no change to the annual dividend forecast of ¥18.00 per share that was announced on April 30, 2014.

** Forward-looking statements regarding future events and performance contained in this announcement 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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