

ISO: JIS Q 9001 JIS Q 14001 JSAQ2067 JSAE1201





#### To Our Shareholders

I am pleased to present Wacom's Annual Report for the fiscal year ended March 31, 2015, our 32nd fiscal year.

Based on our vision of "A world alive with creativity", we are striving to expand our business from the field of creative expression to the broader realm of creative lifestyle. We are expanding our customer base from professional designers and artists to manga lovers and hobbyists, as well as new mobile stationery users. We aspire to support human creativity in all aspects of life.

#### Business results in our 32nd fiscal year

During our 32nd fiscal year, the global economy continued to improve with steady recovery in the United States and nascent improvement in Japan. The Eurozone faced challenges as the situation with Ukraine continued to deteriorate. In the IT industry, the transition of platforms accelerated toward mobile, cloud and social networks. As competition intensified among the smartphone manufacturers, our business environment also changed dramatically.

Our revenue in the Brand business reached a record high. We were able to achieve steady sales of pen tablet products and significant growth in signature tablets and mobile products, despite suffering from the business decline in Russia and Ukraine and competition in the low-end consumer stylus market.

The Component Business was affected by the delay in mass production of Samsung's Galaxy Note 4 and the subsequent weak demand after launch. The decline in shipments to major Windows tablet customers further impacted on the business. To meet diversifying customer needs, we developed and started mass production of the new Active ES pen technology, which has already earned a very good reputation. Additionally, we developed WILL (Wacom Ink Layer Language) to promote a new standard in the digital ink category, and have started building partnerships. Furthermore, we

worked on a new global organization structure that transformed our business from a regionalized model to a customer centric, global model, as well as rebuilt our global supply chain and IT infrastructure.

As a result of these activities, for the fiscal year under review we recorded net sales of ¥74,557 million (down 5.2% year on year), operating income of ¥6,143 million (down 29.1%), and net income of ¥3,473 million (down 33.8%)

#### Business outlook and new initiatives

For our 33rd fiscal year, the global economy is expected to maintain moderate growth supported by lower oil prices and economic stimulus policies in major countries. Meanwhile, we anticipate a risk of economic slowdown in some emerging economies. In the IT market, the mobile product market will continue to grow as the main business platform, while the new market potential is expected to unfold by the integrated evolution of cloud services and applications. 3D design and printing will also continue to proliferate across various industry segments.

In this environment, we will continue to evolve our business model and broaden our user base by leveraging our new global organizational framework and business units. In the Brand business, we will introduce a new generation of creative products as well as launch new digital stationery products and cloud services that support the process of creating and sharing ideas. We will also continue providing high-quality security solutions for specific business segments such as banking, financial services and store front automation.

In the Technology Solution Business (formerly Component Business), we will promote the new Active ES pen technology and value-added EMR solutions to regain growth in both smartphone and tablet segments. Further, we will leverage cloud services and WILL as a new business foundation to contribute to wide-ranging business segments. We will

further invest in new global business infrastructure such as global SCM (supply chain management) and ERP (enterprise resource planning) systems.

For our 33rd fiscal year, based on our business outlook and investment plan, we project net sales of ¥84.00 billion (up 12.7% year on year), operating income of ¥5.50 billion (down 10.5%), and net income of ¥3.53 billion (up 1.6%). The assumed foreign exchange rates are ¥110 per 1 USD and ¥130 per 1 EURO.

#### Wacom Strategic Business Plan — SBP-2019

While our basic growth strategy remains unchanged, we have reflected market environment changes such as the rapid expansion of mobile platforms and the downward trend in high-end smartphones, as well as the progress in our new IT system investment initiatives. On April 30, 2015, we announced the Wacom Strategic Business Plan "SBP-2019" with target net sales of ¥120.00 billion, and target operating profit margin and ROE of at least 12% and 20% respectively by March 31, 2019.

#### Dividend policy

Our dividend policy is to ensure appropriate returns to investors while maintaining a solid financial foundation for growth. For the fiscal year ended March 31, 2015, we paid a dividend of ¥18.0 per share (payout ratio: 86.3%). In the medium term, we plan to maintain a payout ratio of at least 40%.

#### Intuitive user interface for human creativity

In a world connected by digital technology, intuitive user interface solutions have become a driver for human creativity. We will strive to further increase our corporate value by helping people and societies across the globe unleash their creativity.

Your support and understanding remain an essential factor in our success. On behalf of Wacom teams worldwide, please allow me to express my sincere appreciation for your continued support.



Masahiko Yamada President & CEO

**Our Vision** 

A WORLD ALIVE WITH CREATIVITY.

## Leading the advance of tools for creative professionals with innovative new products

The idea-generation environment of creative professionals has been constantly evolving: from 2D to 3D, HD to 4K, and studio to mobile settings. Wacom's Cintiq 27QHD took creative expression to the next level and achieved enhanced efficiency with its 27-inch LCD and high resolution of  $2,560\times1,440$  (the largest in class). The model effectively handles intricate details of color expression with its ability to reproduce as many as 1 billion colors. With the optional "Wacom Color Manager" setting, color calibration between multiple monitors is possible, making it ideally positioned for group collaborations. We also launched the second generation Cintiq Companion, whose user base has been expanding. Also, the Intuos Creative Stylus 2, capable of producing professional-grade expressions on the iPad, has been receiving positive reactions for its fine pen tip allowing users to express minute nuances.







GALAXY Note 4



dynabook Tab S80

# Wacom ushers in the digital stationery era by offering total pen solution consisting of EMR® and Active ES systems

Wacom's unique EMR® digital pen sensor system was adopted by GALAXY Note 4, Galaxy Note Edge and other OEM customer products, making digital pens increasingly popular as the primary interface tool for mobile devices. In addition, the newly-developed Active ES system, which integrates pen and touch controllers to achieve simple structure, was adopted by Toshiba's Encore 2 Write series and Dell's Venue 10 series. With the Windows 10 OS coming to the market, the need for digital pen solutions will increase further. During the course of the year, various mobile products powered by Wacom's pen sensor systems will be launched under the brands of OEM customers.

In fiscal 2014, Wacom put to market a number of new products such as the flagship Cintiq 27QHD, the Cintiq Companion 2 with enhanced performance, and fine-tip styli for iPads under Intuos and Bamboo brands. Our pen component portfolio was also broadened thanks to the addition of the new Active ES system on top of the EMR system.

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

## WILL™ enables digital ink data to be exchanged across OSs and applications

Wacom's WILL (Wacom Ink Layer Language) technology enables users to freely exchange and utilize handwritten data (digital ink) over cloud, without worrying about compatibility of operating systems and applications. Wacom applied this technology to its note-taking app, Bamboo Paper. Wacom has also taken WILL to a higher level by making it into a broad-scoped, open and comprehensive framework under the name WILL Forum, which has received interest from many companies. From November 2014, we also

ABC X+÷=

started a cloud-based service called Wacom Cloud, which allows users to store and share images as well as equipment settings.

## Wacom's pen technology powers tablet computers for students in Turkey

FATIH is a project led by the Education Ministry of Turkey, and is viewed as "the world's largest initiative to deliver tablet computers to students." The project provides schools and students with high-quality infrastructure including tablet devices, interactive whiteboards, and multifunctional printers among others. Wacom's EMR pen component solution was adopted in the etab5 tablet computer by General Mobile, which will be distributed to approximately 700,000 students across the country throughout 2015. According to



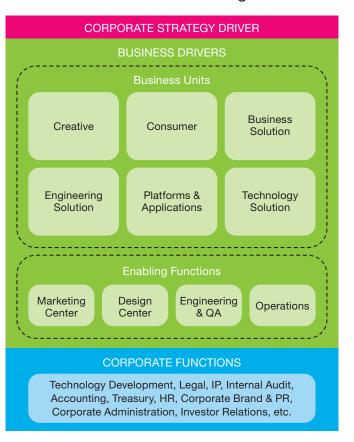
the Turkish government, additional tenders for the FATIH project are in progress, which will lead to the distribution of 10.6 million tablet devices in total between 2016 and 2020.

#### **Business Lines**

Wacom is developing, manufacturing, and marketing user interface solutions with a view to meet creative demands in multiple fields.

To enhance our global business, from fiscal 2015 we have shifted our previously region-based global business unit structure into a customer segment-based organization. This new flexible global organization accelerates business growth by corresponding to different market demands more smoothly.

#### Basic Framework of Global Organization



#### Global Business Units (BU)

#### **Creative Business**

- Serves the passion of professional and consumer creativity
- · Intuos, Intuos Pro, Cintiq Companion, Cintiq

#### **Consumer Business**

- · Makes daily lives more creative and enjoyable
- Bamboo Stylus, Bamboo Pad, etc.

#### **Business Solution**

- · Serves society by providing innovative solutions
- · STU (Signature Tablet), DT (Display Tablet) series, etc.

#### **Technology Solution Business**

- · UI technology solutions for mobile systems
- · EMR, AES Components & modules (feel™)

## Other Business Engineering solution · ECAD dio

#### **Brand Business**

The Brand Business covers Wacom-branded hardware and software products as well as solutions, and consists of three business categories according to customer needs and business characteristics: high-end graphics; creativity tools for everyday life; and electronic document workflow coupled with security features.

#### **Creative Business**

In the Cintiq series, creative displays integrated with high-performance LCD panels, we launched the flagship Cintiq 27QHD and Cintiq Companion 2, which combine the high performance of Cintiq and the versatility and mobility of Windows tablets. On the pen tablet front, the Intuos Pro is leading the way with high-level pen pressure and tilt detection as well as multi-gesture control capabilities using pen and fingers. The entry class Intuos addresses a wider customer base while the Intuos Creative Stylus 2 realizes rich expression in handwriting on the iPad by utilizing 2048 levels of pen pressure sensitivity.

## CINTIQ®



Cintig 13HD touch



Cintiq Companion 2



Cintig 27QHD touch







Intuos Creative Stylus 2

Platform &

Applications
· Provides

technology, apps and

platforms

Bamboo

Sign & Save

WILL,

Paper,



More and more people are becoming users of smartphones and tablets, consuming content via touch panel operations. With these mobile devices becoming an integral part of people's daily lives, they will soon be used for creating and processing content, in addition to consuming content. The age of digital stationery is coming our way. Wacom will continue offering various products including the Bamboo Stylus for people to freely unleash their creativity.

#### **Business Solution**

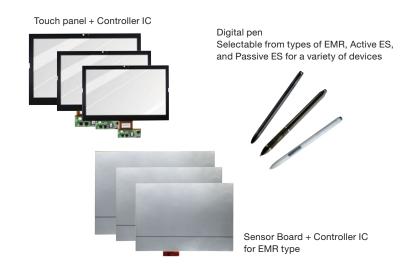
The evolution of computers and network infrastructure has accelerated the digitization of documents (paperless operations) in various fields. Digitization makes possible a wide range of applications such as corporate document management, product demonstration and credit card signature in stores, signing contracts at banks, and electronic charts used in clinics and hotel check-in kiosks. High-level security is also indispensable for the appropriate management of digitized documents. Wacom's LCD signature tablets play a key role in connecting customers and computer systems in various business scenes. With the Tokyo Olympics and Paralympics taking place in 2020, demand from hotels is rising. As electronic commerce spreads further and education infrastructure goes digital, we believe a huge potential is waiting to unfold in this business.



#### **Technology Solution Business**

#### **Technology Solution**

By optimizing our wealth of expertise on pen input and multi-touch technologies accumulated over the years through pen tablet development, we have been providing our OEM customers with pen and multi-touch input components for various types of mobile devices.



## Leel"

#### Wacom® feel IT technologies

is Wacom's unique user interface solution to realize handwritten input with digital pen through a natural, intuitive multi-touch operation.

With the right technologies and IT environment in place, mobile products such as smartphones and tablets are ready to embrace styli as the primary input interface to support human creativity. As the IT industry and customers' ability to manipulate their devices mature, we believe styli will gain momentum rapidly among mobile products. Wacom will take the lead on this momentous shift through collaboration with industry partners, while supplying a wide variety of styli that enable different technology solutions.

#### Platform & Applications

Creativity explodes with sharing and collaborations. Based on more than 30 years of experience in natural user interface, Wacom is now taking the initiative to create a global standard for digital ink: WILL (Wacom Ink Layer Language), which enables the capturing and sharing of digital ink on cloud regardless of operating systems and hardware platforms.



#### **Other Business**

#### **Engineering Solution**

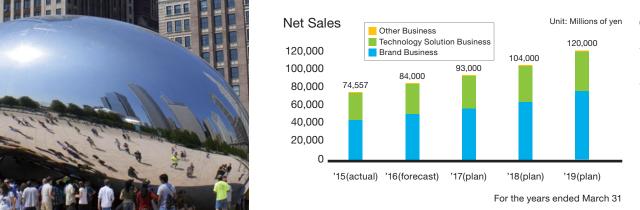
ECAD is a series of computer aided design (CAD) applications that represents decades of Wacom's commitment to support the critical design needs in the factory automation, robotics and automobile industries. With over 30 years of expertise, ECAD offers a total solution for electronic and mechatronic design, and supports thousands of industry customers to solve their critical design challenges from the design and development stage through to production.



SBP-2019

Wacom Strategic Business Plan

Evolve the business model toward mobile and cloud for reaching new customers as well as expanding existing business. In addition, improve the speed and profitability by leveraging our global business infrastructure.



#### Operating income/Net income Unit: Millions of yen 14,400 15,000 Operating income Net income 10.400 10.000 5,000 '15(actual) '16(forecast) '17(plan) '18(plan) '19(plan) For the years ended March 31

Unit: Millions of yen

#### Wacom Strategic Business Plan Background

- Responding to rapid changes in the IT industry and User Interface technologies, Wacom continues to transform its business model to mobile and cloud
- Wacom seeks steady growth by leveraging its global industry leadership in the creative market, and through the end-to-end integration of products and services
- Wacom invests in creating new market categories of consumer and business solution as new business opportunities and customer segments.
- The Technology Solution Business will face high volatility in market and customer outlook and Wacom needs to develop a broader range of customers to improve the stability of business.

#### Financial Goals by FY ending March, 2019

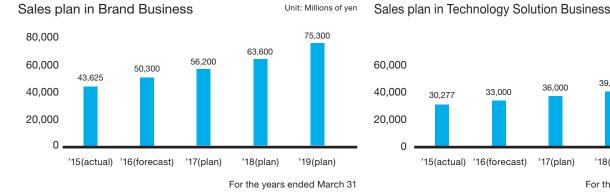
- Consolidated sales: 120 billion JPY
- Consolidated operating profit margin: 12%
- Consolidated ROE: 20% or higher

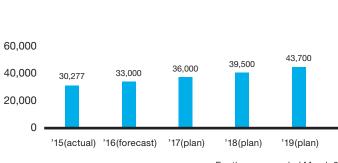
Assumed foreign exchange rate: 1USD =110JPY, 1EURO = 130JPY The forecast in FY ending March 2016 and plan in SBP-2019 were announced as of April 30, 2015.

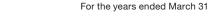
## 3D market. new Digital Stationary WILL · AES pen mobile, cloud Ink communication

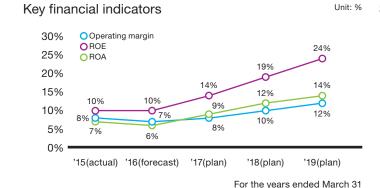
#### **Basic Strategy**

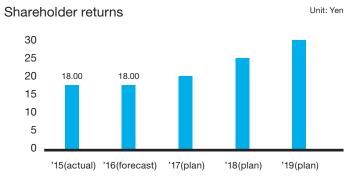
- Evolve the business toward mobile, cloud and ecosystems.
- Accelerate the growth with a new global business organization and enhanced global integration.
- Accelerate creative business with mobile product line expansion, 3D penetration and emerging market investment.
- Reach new consumer users with Digital Stationery and cloud.
- Expand the Technology Solution (former Component) Business with AES and WILL (Wacom Ink Layer Language).
- Enhance business workflow and security solutions by leveraging WILL and digital signature solutions.
- Leverage global business system for efficiency, speed and profitability.











For the years ended March 31

- · Continue stable payouts to shareholders while maintaining stable financial base necessary for future business development.
- Target payout ratio maintains approximately 40% or more.

#### Our Global Model

Wacom was founded in Japan in the 1980s, and swiftly extended its global operations to the United States and Europe, followed by China, Korea, Australia, Singapore, Hong Kong, Taiwan, and India.

In order to support long-term business growth, the development and expansion of business infrastructure has become increasingly important. In this column, we would like to introduce Aaron Atkinson, Chief Information & Operations Officer.

## What are your team's roles and set-up in fulfilling your mission?

We believe that enhancing our value chain will allow us to maintain our competitive advantage and help align the company's direction with meeting our customers' expectations. Our global team consists of professionals spanning diverse functions that provide products, services and support to Wacom's business and to our customers. These functions include operations, information technology, support services, and busi-



Aaron Atkinson Chief Information & Operations Officer

ness process and policy, and play a key role in aligning with our corporate mission of providing innovative, cost effective, end-to-end solution(s) of the highest quality to enable the continuous improvement of value for our customers. We will strive to provide on-time delivery of goods and operational services necessary to deliver outstanding customer value, achieved through global collaboration and management, and overall optimization of our integrated value chain.

## What is unique about your team's activities, and what are the challenges?

We provide a broad array of services and functions and work very closely with the business units. Our challenges stem from having both internal and external customers. We are at the stage of implementing a global rollout of applications, systems and processes that take time to transition. As such, it is critical to manage these changes and to provide adequate information, data and technology to our employees to ensure they have the comprehensive understanding needed to align with our customers. This requires extensive leadership and collaboration skills and the ability to meet strict deadlines and expectations.

#### Please tell us about your team motto or work style

We are operating in an international environment with members across the globe. We bring together unique cultures, work styles and experiences that make this team special. It is our goal to provide value to customers by collaborating with different business units. We do not view ourselves as individuals or individual departments but as a collective function that works together for a common goal.

## How do you manage your team and partners (internally and externally)?

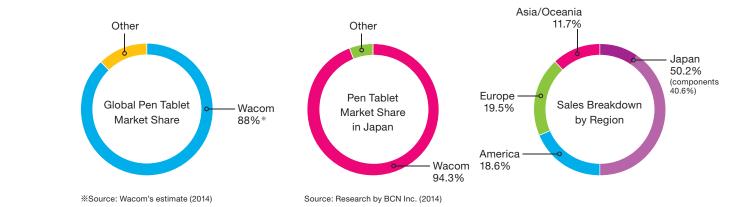
The team is managed by taking different factors and locations into account. Since our team members and the nature of their roles are very diverse, we must evaluate each individual and situation appropriately in order to successfully manage and lead the team. Our overall aim is to ensure consistency and provide directions that are meaningful to the employee. Our success stems from the strengths of our employees and partners. We strive to work collaboratively and to ensure mutual value for both our partners and Wacom. We are confident that we can achieve success by working as one toward the same goals and the same vision.

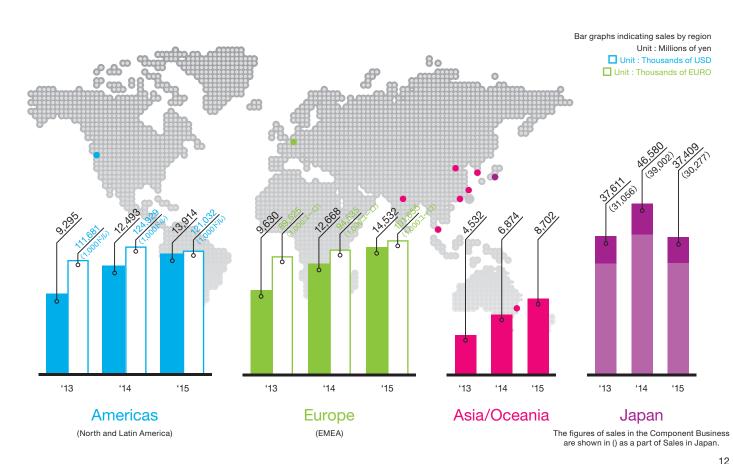
#### Global Value Chain and Business IT Infrastructure



## Integrated Cloud Based Information Technology ERP System, SCM System, CRM System, etc.

#### **Our Global Operations**





#### The Board of Directors and Executive Vice Presidents / Corporate Governance as of June 27, 2015



#### **Board of Directors**

(From the left)

Takashi Kamura (Outside Director, Audit Committee)

Takeshi Ebitani (Outside Director, Audit Committee)

Wataru Hasegawa (EVP, CFO)

Shigeki Komiyama (EVP, Business Solution BU and Engineering Solution BU)

Masahiko Yamada (President & CEO)

Sadao Yamamoto (CTO)

Yasuyuki Fujishima (Outside Director)

Haruo Mizuno (Outside Director, Audit Committee)

#### **Executive Vice President**

Jeff Mandell (Creative BU and Consumer BU)

Koji Shimoda (Engineering & QA)

Aaron Atkinson (CIOO)

Tom Lam (China operation)

Robert Marlinghaus (HR)

#### Corporate Governance

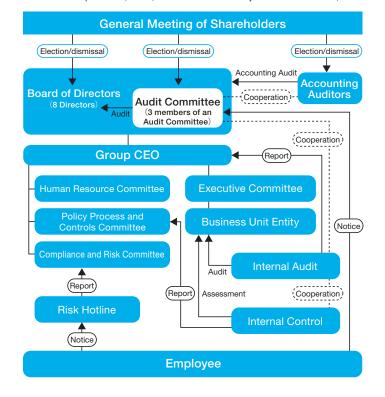
Wacom made the transition to a "Company with an Audit Commit-

The new Board of Directors comprises eight directors, three of whom are Audit Committee members. The Board of Directors meetings are held once a month to make prompt, appropriate decisions regarding overall management, including reviewing management policies, examining the progress of business operations, and general business management and supervision.

Our group Chief Executive Officer (CEO) has been appointed as President of the Board and new Executive Vice Presidents (EVP) have been introduced to ensure the smooth running of our business in response to changes in the business environment. The group CEO and EVPs attend Executive Committee meetings once a month to pragmatically review the progress of business plans and individual issues and take measures where necessary. In addition to Board meetings, Audit Committee members attend other important meetings to monitor the business execution of directors. The Audit Committee also sets the audit plan and policy for the fiscal year, which is discussed with the group CEO.

To ensure a highly transparent and fair management system, we have defined the term of office of non-Audit Committee directors to one year, and further clarified their management responsibilities to shareholders.

Execution of Operations, Audit, and Internal Control Systems as of June 27, 2015



#### The Board of Directors Biographies

Name	Date of birth		Brief of Biography	Number of shares owner as of June 27, 2015
Masahiko Yamada	March 31, 1958	April, 1986 June, 1996 April, 1999 June, 2003 April, 2004 June, 2004 April, 2015	Joined Wacom Co., Ltd. Director, Division Manager of Electronic Systems and Devices (ESD) Executive Director, Division Manager of ESD Executive Director, Senior Executive Officer Executive Vice President, Chief Operating Officer President & CEO President & group CEO (present post)	3,768,000
Shigeki Komiyama	March 28, 1959	April, 1981 January, 2000 December, 2002 March, 2004 June, 2005 April, 2010 April, 2015	Joined Citizen Watch Co., Ltd. President, Handspring Japan KK Joined SGI Japan, Ltd. as Vice President of Marketing Joined Wacom as Executive Officer of Global Marketing and Sales Executive Director, Executive Officer of Global Marketing and Sales Executive Director, Executive Officer of Asia-Pacific Region Executive Director, EVP of Technology Solution Business (present post)	12,800
Wataru Hasegawa	March 26, 1959	April, 1982 June, 2000 April, 2002 June, 2004 June, 2005 April, 2015	Joined Sumitomo Electric Industries, Ltd. Joined Cisco Systems G.K. Joined Oracle Corporation Japan as General Manager of Accounting Joined Wacom as Chief Financial Officer Executive Director, Chief Financial Officer Executive Director, EVP of Chief Financial Officer (present post)	4,800
Sadao Yamamoto	April 13, 1961	March, 1987 April, 1998 June, 1999 June, 2004 April, 2015	Joined Wacom General Manager of Basic Development of ESD Executive Director Executive Director, Chief R&D Officer Executive Director, Chief Technology Officer (present post)	752,000
Yasuyuki Fujishima	March 25, 1947	July, 1969 July, 1997 July, 1998 March, 2001 November, 2002 April, 2008 August, 2010	Entered the Ministry of International Trade and Industry Joined the Policy Board of the Bank of Japan and served as a delegate of the Economic Planning Agency Entered the Ministry of Foreign Affairs as Ambassador of the Republic of Panama Joined Nissho Iwai Corporation (the present company name is Sojitz Corporation) as Advisor Joined Wacom as Executive Director (present post) Vice President, Senior Executive Officer at Sojitz Joined Mutual Service Aid Guarantee Corp. as President & CEO (present post)	100,000
Haruo Mizuo	October 16, 1943	April, 1967 April, 1989 July, 1999 July, 2002 April, 2004 June, 2015	Joined Remington Univac Japan (the present company name is Nihon Unisys Ltd.) Vice President of documentation Administration Officer Councilor Joined Wacom as Corporate Auditor (fuii-time) Executive Director (a member of an Audit Committee) (present post)	13,000
Takeshi Ebitani	September 23, 1943	September, 1972 June, 1985 June, 1999 June, 2015	Registered as a certified public accountant Established Ebitani accounting firm and served as a representative (present post) Joined Wacom as Corporate Auditor Executive Director (a member of an Audit Committee) (present post)	80,000
Takashi Kamura	November 16, 1950	April, 1975 April, 1977 May, 1983 April, 1985 April, 2000 June, 2002 June, 2015	Appointed as a legal apprentice Appointed as a judge Registered as an attorney at law Established Kamura law firm (the present company name is Urbantry law office) and served a representative (present post) Lecturer in graduate course at Meiji University (present post) Joined Wacom as Corporate Auditor Executive Director (a member of an Audit Committee) (present post)	-

Note: Wacom made the transition to a Company with an Audit Committee in accordance with the resolution on changes to the Articles of Incorporation at the Ordinary General Meeting of Shareholders on

Mr. Yasuyuki Fujishima, Mr. Haruo Mizuho, Mr. Takeshi Ebitani, and Mr. Takashi Kamura are independent outside directors

The term of office of Audit Committee members is two years from the Ordinary General Meeting of Shareholders on June 26, 2015.

#### Five-Year Summary

Wacom Co., Ltd. and Its Subsidiaries

	Thousands of yen					
		Year ended March 31				
	2011	2012	2013	2014	2015	2015
For the year:						
Net sales	¥33,030,359	¥40,705,578	¥61,068,078	¥78,615,309	¥74,557,460	\$620,433
Gross profit	15,634,445	18,040,993	24,235,314	29,931,103	30,050,300	250,065
Operating income	3,252,086	4,067,475	7,915,051	8,663,092	6,142,669	51,116
Income before income taxes	2,952,508	3,504,537	7,545,805	8,268,645	5,106,695	42,496
Net income	1,967,083	2,181,341	4,770,485	5,248,762	3,473,144	28,902
Comprehensive income	1,408,053	2,007,351	5,870,100	6,799,072	3,821,345	31,799
At year end:						
Cash and cash equivalents	¥10,454,820	¥11,969,873	¥21,596,429	¥15,393,939	¥16,686,619	\$138,858
Total assets	18,481,946	34,129,398	50,124,193	50,859,157	51,456,857	428,201
Total net assets	27,093,503	18,917,895	29,211,533	32,799,328	33,858,970	281,759
Net income per share						
Basic	¥12.24	¥13.66	¥29.81	¥31.31	¥20.86	\$0.17
Diluted	12.21	13.65	29.69	31.13	20.82	0.17
Equity ratio(%)	68.1	55.2	58.1	64.2	65.4	
Return on equity (%)	10.7	11.7	19.9	17.0	10.5	
The number of employee(person)	747	785	930	1,035	1,072	

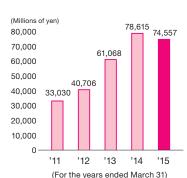
Note 1: The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of the readers outside Japan and has been calculated at the rate of JP¥120.17 = U.S.\$1.00, the approximate rate of exchange on March 31, 2015.

Note 2: Equity Ratio deducted 5,000 shares for 0.44BJPY in 2012. 3 F. Y. and 20,000 shares for 1.44BJPY in 2014. 3 F.Y. repurchesed as treasury stock.

Note 3: The figures in 2011. 3 F. Y. were recalculated retroactively because of the adoption of the new accounting principles in revenue recognition.

Note 4: The Company conducted a 400-for-1 share split based on the resolution of the Board of Directors held on April 30, 2013, resolved to adopt the stock split and the unit share system, effective as of June 1, 2013. Net income per share and diluted net income per share have been calculated assuming that the stock split was conducted at the beginning of the year ended March 31, 2011.

#### Net sales



#### Gross profit/Gross profit margin



#### Operating income/Operating margin



#### Overview of Business Performance

Wacom Co., Ltd. and Its Subsidiaries

## How did the global economy affect our business in our 32<sup>nd</sup> year?

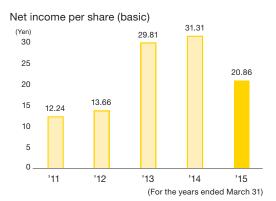
In the current fiscal year under review (April 1, 2014 to March 31, 2015), the business environment remained mixed in each region and business area. The domestic economy showed a gradual recovery after a consumption tax hike. In the global economy, the U.S. continued to expand supported by positive trends in strong consumer spending. The economy in Europe has remained sluggish due to the situation in Russia and Ukraine since last year. In foreign exchange, the yen exchange rate against main currencies remained weak.

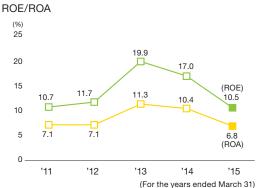
In the Creative Business area in our Brand Business category, digital content creation for the movie, comic and game application sectors are expanding into emerging countries such as Asian nations and South America. In developed countries, we are seeing a rapid spread of 3D printing technology used by both industry and general consumers. Furthermore, the design environment is expanding from conventional desktop computers to mobile devices based on cloud computing. Reflecting this change, use of the stylus has been expanding, owing to its functionality in which users can take notes and draw easily on tablets. Competition in the Consumer Business sector is becoming fierce. In the Vertical Market Business, demand for cost-effective paperless procedures and improved digital signature security is growing across a broad range of sectors, including medical, educational and financial. Against this background, the adoption of digital signatures using LCD pen tablet products is growing.

In our Component Business, while the low- and mid-end smart-phone market is growing rapidly, especially in the emerging countries, the high-end smartphone market saw a slowdown, which led to a drastic change in industry structure. Although the tablet market has started to stagnate, and there is a growing demand for further differentiation. In the education and e-book market, we can see that the demand for digital pen technology is growing not only for reading but also for writing purposes.

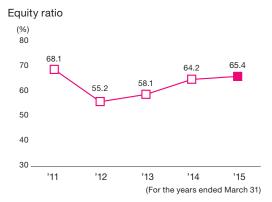
Against this background, Wacom Group has further solidified its position as a global leader and pursued investment strategies to enhance the Group's future business base. Simultaneously, in order to enhance our global business, from April 2015 we have shifted the previously region-based organization into Global Business Unit structure of a customer segment-based one.

As a result, consolidated net sales decreased 5.2% to \$74,557 million, operating income decreased 29.1% to \$6,143 million, and net income decreased 33.8% to \$3,473million.





Note: ROA equals net income/average total assets.



#### Our results by business sector

#### Brand business

Sales exceeded the previous fiscal year, owing to the release of new stylus models, growth in the Vertical Market Business.

In the Creative Business, sales of Pen tablets exceeded the previous fiscal year owing to sales increases driven by promotion measures in 3Q, while confusion among users caused by brand integration of Intuos (formerly Bamboo) had a negative impact on sales during the first half. In Mobile products, OS installed tablets, Cintiq Companion contributed to a steady expansion of sales and Intuos Creative Stylus 2 for iPads gained a positive reputation. In Display products, owing to favorable sales growth of Cintiq 22HD, total sales of Cintiq series products exceeded the previous fiscal year.

In the Consumer Business, the new products, the Bamboo Stylus for iPads contributed to sales. Meanwhile, sales of existing stylus products decreased due to price reductions and intensifying competition. As a result, total sales fell below the same period of the previous fiscal year.

In the Vertical Market Business, sales increased substantially for solutions in finance and retail industries in the Eurozone and Latin America, with DTU-1031, and STU-430 and STU-530 trending favorably as applications for digital signature solutions expanded.

Overall sales in the Brand Business category for the fiscal year ended March 31, 2015 increased 12.0% to ¥43,625 million, and operating income increased 14.4% to ¥5,965 million.

#### Component business

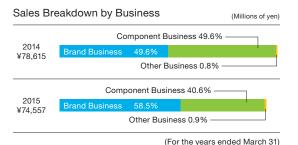
Overall sales decreased substantially due to a sharp drop in orders of pen component shipments for major tablet manufacturers.

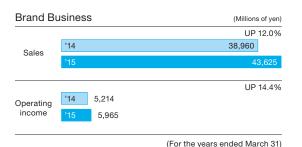
In Pen sensor systems for smartphones, the mass production of Samsung's Galaxy Note 4 started in 3Q and recorded favorable shipments of products. However, theses slowed in March and overall sales fell below the previous fiscal year. In Pen sensor systems for tablets, the adoption of our pen sensor systems expanded steadily among major tablet manufacturers. However, shipments for major tablet manufacturers decreased rapidly, resulting in substantial sales decrease. In Pen sensor systems for notebook PCs, sales decreased substantially due to the shift in demand for digital pens from notebook PCs to tablets.

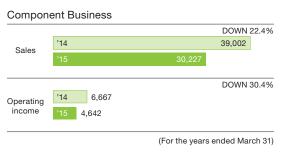
Overall sales in the Component Business category decreased 22.4% to  $\pm$ 30,277 million, and operating income decreased 30.4% to  $\pm$ 4,642 million.

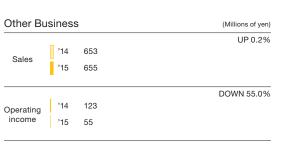
#### Other business (the Software business)

Overall sales in the Other Business category for the fiscal year increased 0.2% to \$4655 million, and operating income decreased 55.0% to \$455 million.









#### (For the years ended March 31)

#### **Our financial position**

Total assets as of March 31, 2015 increased by ¥598 million to ¥51,457 million compared to the end of the previous fiscal year. The main factors contributing to this were an increase of ¥1,293 million in cash and deposits, an increase of ¥2.447 million in software in progress, a decrease of ¥1,512 million in notes and accounts receivable, a decrease of ¥488 million in short-term deferred tax asset, a decrease of ¥1,027 million in investments in securities. Total liabilities as of March 31, 2015 decreased by ¥462 million to ¥17,598 million compared to the end of the previous fiscal year. The main factors contributing to this were an increase of ¥610 million in accrued expenses, an increase of ¥61 million in provision for bonuses, an increase of ¥45 million in net defined benefit liability and a decrease of ¥1,315 million in income taxes payable. Total net assets increased by ¥1,060 million to ¥33,859 million compared to the end of the previous fiscal year. The main contributing factors were a ¥3.473 million in net profit, an increase of ¥745 million in foreign currency translation adjustment and a decrease of ¥2,913 million in the payment for shareholder's dividends. As a result, the capital ratio increased by 1.2 points to 65.4% compared to the end of the previous fiscal year.

Consolidated cash and cash equivalents for the fiscal period ended March 31, 2015 totaled ¥16,687 million, a ¥1,293 million increase from the end of the previous fiscal year.

(Cash Flow from Operating Activities)

Cash flow from operating activities during the fiscal period ended March 31, 2015 was  $\pm 6,782$  million. The main factors contributing to cash inflow were a  $\pm 5,107$  million in income before income taxes and minority, a  $\pm 1,970$  in depreciation, and a  $\pm 1,804$  million decrease in notes and accounts receivable – trade. The main factors contributing to cash outflow were a  $\pm 2,457$  million increase in income taxes paid.

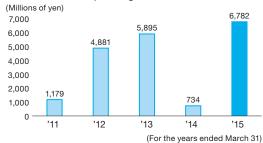
(Cash Flow from Investing Activities)

Cash flow from investing activities during the fiscal period ended March 31, 2015 was ¥3,278 million. The primary contributing factors were a ¥762 million purchase of tangible assets such as equipment and molds, and a ¥2,576 million purchase of ERP system software and other such items for the global IT infrastructure.

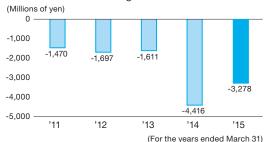
(Cash Flow from Financing Activities)

Cash flow from financing activities during the fiscal period ended March 31, 2015 was ¥2,850 million. The primary contributing factor was a ¥2,905 million payment for shareholders' dividends.

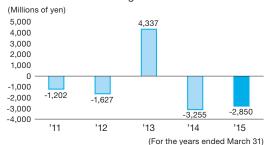
#### Cash flows from operating activities



#### Cash flows from investing activities



#### Cash flows from financing activities



#### Cash Dividends per Share / Payout Raito



#### Consolidated Balance Sheets

Wacom Co., Ltd. and Its Subsidiaries

	Thousands of yen		Thousands of U.S. dollars
-	March 31 2014 2015		March 31
Assets:	2014	2015	2015
Current assets -			
Cash and deposits	V4E 000 000	V4C C0C C4O	<b>#</b> 100.050
Notes and accounts receivable-trade		¥16,686,619	\$138,858
Merchandise and finished goods	11,388,120	9,875,726	82,181
Work in process	7,161,410	7,701,801	64,091
Raw materials and supplies	357,618	400,084	3,329
Deferred tax assets	1,810,948	2,114,966	17,600
Others	1,717,556	1,229,497	10,231
	2,295,018	2,220,080	18,475
Allowance for doubtful accounts	(51,210)	(41,268)	(343)
Total current assets	40,073,399	40,187,505	334,422
Noncurrent assets -			
Property, plant and equipment:			
Buildings and structures	4,061,861	3,382,821	28,150
Accumulated depreciation · · · · · · · · · · · · · · · · · · ·	(2,097,615)	(1,696,836)	(14,120)
Buildings and structures, net	1,964,246	1,685,985	14,030
Machinery, equipment and vehicles	890,476	1,104,298	9,189
Accumulated depreciation	(264,048)	(397,792)	(3,310)
Machinery, equipment and vehicles, net	626,428	706,506	5,879
Tools, furniture and fixtures	3,735,947	3,937,461	32,766
Accumulated depreciation	(2,452,038)	(2,912,270)	(24,235)
Tools, furniture and fixtures, net		1,025,191	8,531
Land		1,190,703	9,909
Total property, plant and equipment	5,332,072	4,608,385	38,349
Intangible assets:	0,002,012	.,,,,,,,,,,	
Goodwill	3,608	_	_
Software in progress	812,098	3,259,519	27,124
Others	2,406,275	2,182,317	18,161
Total intangible assets	3,221,981	5,441,836	45,285
Investments and other assets:	3,221,901	3,441,030	45,265
Investment securities	1,614,624	587,290	4,887
Deferred tax assets	41,081	55,678	4,007
Others	,	•	
Allowance for doubtful accounts	595,696	654,045	5,443
Total investments and other assets	(19,696)	(77,882)	(648)
Total noncurrent assets	2,201,700	1,219,131	10,145
Total Holliculterit assets	10,785,758	11,269,352	93,779
Total assets	¥50,859,157	¥51,456,857	\$428,201

	Thousands of yen		Thousands of U.S. dollars
	Marc	h 31	March 31
Liabilities:	2014	2015	2015
Current liabilities -			
Notes and accounts payable-trade · · · · · · · · · · · · · · · · · · ·	¥9,429,820	¥9,203,455	\$76,587
Accrued expenses ······	¥1,995,478	¥2,605,243	21,680
Short-term loans payable ·····	600,000	600,000	4,993
Income taxes payable	1,928,931	613,674	5.107
Provision for bonuses ······	484,443	545,810	4,542
Provision for directors' and statutory corporate auditors' bonuses	59,137	59,270	4,342
Others	1,741,685	2,252,775	18,746
Total current liabilities · · · · · · · · · · · · · · · · · · ·	16,239,494	15,880,227	132,148
Noncurrent liabilities -			
Deferred tax liabilities	425,348	206,397	1,718
Net defined benefit liability	768,278	813,059	6,766
Asset retirement obligations ·····	151,369	152,845	1,272
Others ·····	475,340	545,359	4,538
Total noncurrent liabilities · · · · · · · · · · · · · · · · · · ·	1,820,335	1,717,660	14,294
Total liabilities·····	18,059,829	17,597,887	146,442
Net Assets:			
Shareholders' equity -			
Capital stock ······	4,203,469	4,203,469	34,979
Capital surplus ······	7,563,702	7,550,743	62,834
Retained earnings ·····	21,710,864	22,318,906	185,728
Treasury stock ······	(1,538,697)	(1,455,137)	(12,109
Total shareholders' equity ·····	31,939,338	32,617,981	271,432
Accumulated other comprehensive income -			
Valuation difference on available-for-sale securities ······	416,116	27,370	228
Foreign currency translation adjustment	323,810	1,068,558	8,892
Remeasurements of defined benefit plans ······	(27,772)	(35,573)	(296
Total accumulated other comprehensive income	712,154	1,060,355	8,824
Subscription rights to shares - · · · · · · · · · · · · · · · · · ·	147,836	180,634	1,503
Total net assets	32,799,328	33,858,970	281,759
Total liabilities and net assets ······	¥50,859,157	¥51,456,857	\$428,201

#### Consolidated Statements of Income

Wacom Co., Ltd. and Its Subsidiaries

	Thousands of yen		Thousands of U.S. dollars	
	Year ended	March 31	Year ended March 31	
	2014	2015	2015	
Net sales ·····	¥78,615,309	¥74,557,460	\$620,433	
Cost of sales ·····	48,684,206	44,507,160	370,368	
Gross profit · · · · · · · · · · · · · · · · · · ·	29,931,103	30,050,300	250,065	
Selling, general and administrative expenses · · · · · · · · · · · · · · · · · ·	21,268,011	23,907,631	198,949	
Operating income ······	8,663,092	6,142,669	51,116	
Non-operating income:	, ,			
Interest income ······	45,877	59,772	497	
Others	43,840	57,808	481	
Total non-operating income ······	89,717	117,580	978	
Non-operating expenses:	,	,,,,,,		
Interest expenses ······	4,627	9.652	80	
Foreign exchange losses ······	392,803	168,004	1,398	
Prior years' value added tax in foreign subsidiary	53,367	-	0	
Others	19,601	17,981	150	
Total non-operating expenses ······	470,398	195,637	1,628	
Ordinary income ······	8,282,411	6,064,612	50,466	
Extraordinary income:	-,,	-,		
Gain on sales of property, plant and equipment	1,621	1,894	16	
Gain on reversal of subscription rights to shares ······	385	6.792	57	
Other	-	21	_	
Total extraordinary income ······	2,006	8.707	73	
Extraordinary loss:	_,	-,		
Loss on sales of property, plant and equipment · · · · · · · · · · · · · · · · · · ·	3,733	461,483	3,840	
Loss on retirement of property, plant and equipment	9,915	11,802	98	
Loss on sales of investment securities	-	9,179	76	
Loss on valuation of investment securities · · · · · · · · · · · · · · · · · · ·	-	316,170	2,631	
Business structure improvement expenses ······	-	167,286	1,392	
Others ·····	2,124	704	6	
Total extraordinary losses ·····	15,772	966,624	8,043	
Income before income taxes ·····	8,268,645	5,106,695	42,496	
Income taxes-current	3,449,653	1,126,549	9,375	
Income taxes-deferred ······	(429,770)	507,002	4,219	
Total income taxes ·····	3,019,883	1,633,551	13,594	
Income before minority interests	5,248,762	3,473,144	28,902	
Net income ·····	¥5,248,762	¥3,473,144	\$28,902	

### Consolidated Statements of Comprehensive Income

Wacom Co., Ltd. and Its Subsidiaries

	Thousands of yen  Year ended March 31		Thousands of U.S. dollars	
-				
- -	2014	2015	2015	
Income before minority interests	¥5,248,762	¥3,473,144	\$28,902	
Valuation difference on available-for-sale securities · · · · · · · · · · · · · · · · · · ·	392,475	(388,746)	(3,235)	
Foreign currency translation adjustment	1,157,835	744,748	6,197	
Remeasurements of defined benefit plans, net of tax		(7,801)		
Total other comprehensive income	1,550,310	348,201	2,898	
Comprehensive income · · · · · · · · · · · · · · · · · · ·	6,799,072	3,821,345	31,800	
(Comprehensive income attributable to)				
Comprehensive income attributable to owners of the Company ·······	6,799,072	3,821,345	31,800	
Comprehensive income attributable to minority interests······	-	-	-	

Thousands	of yen	
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_		(	Shareholders' equity	1	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at April 1,2013	¥4,203,469	¥7,573,104	¥18,353,830	(¥204,205)	¥29,926,198
Dividends from surplus			(1,891,728)		(1,891,728)
Net income			5,248,762		5,248,762
Purchase of treasury stock				(1,436,579)	(1,436,579)
Disposal of treasury stock		(9,402)		102,087	92,685
Net changes of items other than					-
shareholders' equity					
Balance at March 31,2014	4,203,469	7,563,702	21,710,864	(1,538,697)	31,939,338
Cumulative effects of changes in accounting policies			48,095		48,095
Restated balance	4,203,469	7,563,702	21,758,959	(1,538,697)	31,987,433
Dividends from surplus			(2,913,197)		(2,913,197)
Net income			3,473,144		3,473,144
Purchase of treasury stock					-
Disposal of treasury stock		(12,959)		83,560	70,601
Net changes of items other than					
shareholders' equity					
Balance at March 31,2015	¥4,203,469	¥7,550,743	¥22,318,906	(¥1,455,137)	¥32,617,981

	Accun	nulated other co	omprehensive in	icome		
	Valuation difference on available-for- sales Securities	Foreign currency translation adjustment	Remaeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition right	Total net assets
Balance at April 1,2013	¥23,641	(¥834,025)	-	(¥810,384)	¥95,719	¥29,211,533
Dividends from surplus						(1,891,728)
Net income						5,248,762
Purchase of treasury stock						(1,436,579)
Disposal of treasury stock						92,685
Net changes of items other than	392,475	1,157,835	(27,772)	1,522,538	52,117	1,574,655
shareholders' equity						
Balance at March 31,2014	416,116	323,810	(27,772)	712,154	147,836	32,799,328
Cumulative effects of changes in accounting police	cies					48,095
Restated balance	416,116	323,810	(27,772)	712,154	147,836	32,847,423
Dividends from surplus						(2,913,197)
Net income						3,473,144
Purchase of treasury stock						-
Disposal of treasury stock						70,601
Net changes of items other than	(388,746)	744,748	(7,801)	348,201	32,798	380,999
shareholders' equity						
Balance at March 31,2015	¥27,370	¥1,068,558	(¥35,573)	¥1,060,355	¥180,634	¥33,858,970

#### Thousands of U.S. dollars

	Shareholders' equity							
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity			
Balance at March 31,2014	\$34,979	\$62,942	\$180,668	(\$12,804)	\$265,785			
Cumulative effects of changes in accounting policies			\$400		\$400			
Restated balance	\$34,979	\$62,942	\$181,068	(\$12,804)	\$266,185			
Dividends from surplus			(24,242)		(24,242)			
Net income			28,902		28,902			
Purchase of treasury stock								
Disposal of treasury stock		(108)		695	587			
Net changes of items other than								
shareholders' equity								
Balance at March 31,2015	\$34,979	\$62,834	\$185,728	(\$12,109)	\$271,432			

	Accun	nulated other c	ncome			
	Valuation difference on available-for- sales Securities	Foreign currency translation adjustment	Remaeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock acquisition right	Total net assets
Balance at March 31,2014	\$3,463	\$2,695	(\$231)	\$5,927	\$1,230	\$272,942
Cumulative effects of changes in accounting police	cies					\$400
Restated balance	\$3,463	\$2,695	(\$231)	\$5,927	\$1,230	273,342
Dividends from surplus						(24,242)
Net income						28,902
Purchase of treasury stock						-
Disposal of treasury stock						587
Net changes of items other than	(3,235)	6,197	(65)	2,897	273	3,170
shareholders' equity						
Balance at March 31,2015	\$228	\$8,892	(\$296)	\$8,824	\$1,503	\$281,759

#### Consolidated Statements of Cash Flows

Wacom Co., Ltd. and Its Subsidiaries

	Thousan	Thousands of yen	
	Year ended	d March 31	Year ended March 31
Mat and municipal by (read in) an evaluar nativities.	2014	2015	2015
Net cash provided by (used in) operating activities:  Income before income taxes	¥8,268,645	¥5,106,695	\$42.496
Depreciation and amortization	, ,		. ,
Share-based compensation expenses	1,811,923 74.804	1,970,162 54.959	16,395 457
Increase (decrease) in allowance for doubtful accounts	29.457	46,405	386
Increase (decrease) in provision for bonuses	(414,487)	51,049	425
	, , ,		
Increase (decrease) in provision for directors' bonuses	(116,250)	(1,765)	(15)
Increase (decrease) in net defined benefit liability	157,595	83,402	694
Interest expenses	(45,877)	(59,772)	(497)
·	4,627	9,652	(1.000)
Foreign exchange losses (gains)	(356,893)	(228,194)	(1,899)
Loss (gain) on sales of property, plant and equipment	2,112	459,589	3,824
Loss on retirement of property, plant and equipment	9,915	11,802	98
Loss (gain) on sales of investment securities	-	9,179	76
Loss (gain) on valuation of investment securities		316,170	2,631
Decrease (increase) in notes and accounts receivable-trade	1,396,307	1,804,282	15,014
Decrease (increase) in inventories	(3,148,548)	(545,826)	(4,542)
Increase (decrease) in notes and accounts payable-trade · · · · · · · · · · · · · · · · · · ·	(2,665,132)	(590,219)	(4,912)
Others, net ·····	(539,154)	693,184	5,770
Sub total ·····	4,469,044	9,190,754	76,481
Interest and dividends income received	45,466	57,879	482
Interest expenses paid · · · · · · · · · · · · · · · · · · ·	(4,626)	(9,642)	(80)
Income taxes paid · · · · · · · · · · · · · · · · · · ·	(3,776,043)	(2,456,758)	(20,444)
Net cash provided by (used in) operating activities	733,841	6,782,233	56,439
Net cash provided by (used in) investing activities:			
Payments into time deposits · · · · · · · · · · · · · · · · · · ·	(7,000,000)	-	0
Proceeds from withdrawal of time deposits · · · · · · · · · · · · · · · · · · ·	7,000,000	-	0
Purchase of property, plant and equipment · · · · · · · · · · · · · · · · · · ·	(1,909,639)	(762,060)	(6,342)
Purchase of intangible assets	(16,649)	-	0
Purchase of software · · · · · · · · · · · · · · · · · · ·	(1,447,145)	(2,576,225)	(21,438)
Purchase of investment securities · · · · · · · · · · · · · · · · · · ·	(784,620)	-	0
Proceeds from sales of property, plant and equipment	8,052	247,326	2,058
Proceeds from sales of investment securities	-	84,643	704
Acquisitions of Business · · · · · · · · · · · · · · · · · ·	-	(274,321)	(2,283)
Other, net · · · · · · · · · · · · · · · · · · ·	(265,971)	2,873	24
Net cash provided by (used in) investing activities	(4,415,972)	(3,277,764)	(27,277)
Net cash provided by (used in) financing activities:			
Increase in short-term loans payable	-	2,000,000	16,643
Decrease in short-term loans payable · · · · · · · · · · · · · · · · · · ·	-	(2,000,000)	(16,643)
Purchase of treasury stock	(1,438,734)		0
Proceeds from disposal of treasury stock ······	70,037	55,066	458
Cash dividends paid · · · · · · · · · · · · · · · · · · ·	(1,886,671)	(2,904,584)	(24,171)
Net cash provided by (used in) financing activities	(3,255,368)	(2,849,518)	(23,713)
Effect of exchange rate change on cash and cash equivalents	735,009	637,729	5,308
Net increase (decrease) in cash and cash equivalents	(6,202,490)	1,292,680	10,757
Cash and cash equivalents at beginning of year	21,596,429	15,393,939	128,101
Cash and cash equivalents at end of year · · · · · · · · · · · · · · · · · · ·	¥15,393,939	¥16,686,619	<u>\$138,858</u>

#### Basis of Presenting Consolidated Financial Statements

Wacom Co., Ltd. and Its Subsidiaries

The accompanying consolidated financial statements have been prepared from the consolidated financial statements of Wacom Co., Ltd. (the "Company") and its subsidiaries filed with the Director of the Kanto Local Finance Bureau in accordance with the Financial Instruments and Exchange Law of Japan and its related accounting regulations, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects from the application and disclosure requirements of International Financial Reporting Standards.

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#### **Investor Information**

#### Stock Exchange Listing

Tokyo Stock Exchange First Section (Trade code 6727)

#### Share Data (As of March 31, 2015)

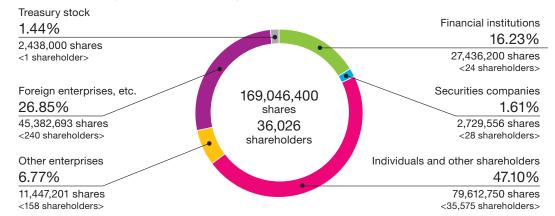
Total number of shares to be issued · · · · · · · · · · · · · · · · · · ·	552,000,000
Total number of issued shares ····································	169,046,400
Total number of shareholders · · · · · · · · · · · · · · · · · · ·	36,026

Note: A 400-for-1 share split was implemented effective June 1st 2013 and adopted a share-trading-unit resulting in a trading unit of 100 shares. As a result, the number of shares outstanding totaled 169,046,400 shares in 2014.3 F.Y. due to the increased 168,623,784 shares.

#### Major Shareholders (As of March 31, 2015)

Major Shareholders (As of March 31, 2015)	Number of	Percentage of	
Name of shareholder	shares owned	shareholding (%)	
SAMSUNG ASIA PTE. LTD.	8,398,400	4.96	
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,178,700	4.24	
BNYML - NON TREATY ACCOUNT	5,240,300	3.09	
Japan Trustee Services Bank, Ltd. (Trust Account9)	4,910,300	2.90	
Wilnau Co.	4,840,000	2.86	
Eto Yoji Office	4,800,000	2.83	
Yoji Eto	4,425,000	2.61	
Masahiko Yamada	3,768,000	2.22	
Japan Trustee Services Bank, Ltd. (Trust Account)	3,661,600	2.16	
THE BANK OF NEW YORK 133524	3,454,000	2.04	

#### **Shareholder Distribution (As of March 31, 2015)**



## Corporate Data

	Trade Name	Wacom Co., Ltd.	Branch/ Offices	Tokyo Branch Sumitomo Fudosan Shinjuku Grand Tower 31F, 35F,
	Established	July 12, 1983	Offices	8-17-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 160-6131, Japan
	Capital	¥4,203 million (As of March 31, 2015)		Nagoya Office
	Number of Shares Outstanding	169,046,400 (As of June 29, 2015)		Round Terrace Fushimi 10th Floor, 1-17-26 Nishiki, Naka-ku, Nagoya-shi,Aichi 460-0003, Japan
	Employees	Consolidated: 1,072 Non-consolidated: 474 (As of March 31, 2015)		Osaka Office Shogyo 2nd Bldg. 6th Floor, 5-4-9 Toyosaki Kita-ku, Osaka-shi, Osaka 531-0072, Japan
	Business Segments	Brand Business     Development, manufacture,     sales of computer input devices		Fukuoka Office Hakata Ekimae Daini Bldg. 8th Floor, 2-6-23 Hakataeki Higashi, Hakata-ku Fukuoka-shi, Fukuoka 812-0013, Japan
		<ul><li> Creative Business</li><li> Consumer Business</li><li> Business Solution</li></ul>	International Affiliates	Wacom Technology Corporation (U.S.A.) Wacom Technology Services, Corp. (U.S.A.)* 1311 SE Cardinal Court, Vancouver, WA 98683, U.S.A. 'The Subsidiary of Wacom Technology Corporation for for sales and marketing services
		Technology Solution Business     Development, manufacture     and sales of input components and     sensor systems for manufacturers		Wacom Europe GmbH (Germany) Europark Fichtenhain A9 D-47807, Krefeld, Germany
		of smartphones, tablets, and e-books  • Pen sensor systems		Wacom China Corporation (China) 518, West Wing Office, China World Trade Center, No.1 Jianguomenwai Avenue, Chaoyang District, Beijing 100004, China
		Touch sensor systems		Wacom Korea Co., Ltd. (Korea) Rm #1211, 12F, KGIT Sangam Center,
		Other Business     Development, manufacture,		402 worldcup bukro, Mapo-gu, Seoul 121-913, Korea
		sales of CAD solution and others		Wacom Australia Pty. Ltd. (Australia) Ground floor, Building1, 3 Richardson Place,
		<ul> <li>CAD Software for electrical and mechanical engineering</li> </ul>		North Ryde, NSW, 2113 Australia
	Banks Head Office/ Factory	Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. Saitama Resona Bank, Ltd. 2-510-1 Toyonodai Kazo-shi,		Wacom Singapore Pte. Ltd. (Singapore) #12-09 Suntec Tower Five 5 Temasek Boulevard, Singapore 038985

(As of June 29, 2015)

716, TowerB, DLF, Jasola District Centre,

Mathura Road, New Delhi 110025, India

#### **Our Milestones**

Apr. 2015 Global Organization Reform Bamboo Stylus fineline and Intuos Creative Stylus 2 received the iF Design Award Mar. 2015 Launched Cintig 27QHD and Cintig 27QHD touch as the flagship model Jan. 2015 Toshiba adopted Wacom Active ES pen technology in Encore 2 Write Jan. 2015 Introduced Wacom cloud services, Dropzone and Control Room Nov. 2014 Apr. 2014 Achieved 100 million units of pen component production Expanded the lineup of digital pen technologies, announced the development of Active ES pen type, etc. Mar. 2014 Feb. 2014 Announced WILL which enables digital ink data to be exchanged and freely utilized across the boundaries of OS and applications Aug. 2013 Cintig Companion as our first mobile products powered by Windows and Android OS are announced Launch of Intuos Creative Stylus as a high-end stylus for iPad users Dec. 2012 Awarded with "Best IR Award for Small & Medium Cap. Companies" by the Japan Investor Relations Association Jul. 2012 Samsung adopts Wacom feel IT technologies in a new tablet model as Galaxy Note series Oct. 2011 Samsung adopts Wacom feel IT technologies in Galaxy Note, a high-end smartphone model Launch of Bamboo paper for iPad users to create ideas with handwritten notes Jun. 2011 Bamboo Stylus specially designed for iPad is released. May. 2011 Mar. 2011 Acquisition of software business of digital signature from Florentis in UK Received the 16th "Disclosure Award" from the Tokyo Stock Exchange Feb. 2011 Oct. 2010 Wacom India is established in India Oct. 2009 Introduced a new technology brand, Wacom feel IT technologies, as a pen input solution for mobile devices in Component business Oct. 2008 Wacom Taiwan Information is established in Taiwan Development of a multi-touch sensor system is announced Berliner Sparkasse The saving bank of Berlin adopts Wacom STU series of signature tablet for digital signature solution for its private Nov. 2007 client centers May. 2007 Bamboo series are launched for general consumers Received the first "Disclosure Newcomer Award" from the Tokyo Stock Exchange Feb. 2007 May. 2006 Wacom Singapore is established in Singapore Our stock is listed on the First Section of the Tokyo Stock Exchange Dec. 2005 Apr. 2005 Wacom Australia is established in Australia Apr. 2004 Wacom Digital Solutions (presently Wacom Korea) is established in South Korea Nov. 2003 HP Tablet PC adopts Wacom's Penabled pen sensor system Apr. 2003 Our stock is listed on the JASDAQ market Sep. 2001 Launch of Cintig, a line of interactive pen displays Mar. 2000 Wacom China is established in China Nov. 1999 Launch of Graphire/FAVO, a line of consumer pen tablets Jun. 1999 Launch ECAD dio, a CAD software for electrical engineering Sep. 1998 Launch of Intuos, a line of professional pen tablets Aug. 1991 Wacom Technology is established in the United States Wacom Computer Systems (presently Wacom Europe) is established in Germany Jun. 1988 Jul. 1983 Operation of pen tablet product and CAD software for electrical engineering begins ♦ Wacom Co., Ltd. is established in Ageo City, Saitama, Japan, with common stock of 48 million yen