

Q1 FY 3/2026 Summary of Consolidated Financial Results

July 30, 2025

Company Name Wacom Co., Ltd.

(Code Number: 6727 TSE Prime)

(URL <https://www.wacom.com>)

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Preparation of Supplemental Explanatory Material for Financial Results: Yes

Holding of Large Meeting for Financial Results: No

1. Q1 FY 3/2026 Consolidated Financial Results (April 1, 2025 – June 30, 2025)

(1) Business Performance (Consolidated)

(Round down to mY)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	mY	%	mY	%	mY	%	mY	%
Q1 FY 3/2026	24,505	-16.0	2,723	7.9	2,376	-34.8	1,638	-39.0
Q1 FY 3/2025	29,174	20.9	2,525	198.1	3,643	37.1	2,683	30.4

(Note) Comprehensive income Q1 FY 3/2026 2,085 mY (-39.8%) Q1 FY 3/2025 3,467 mY (20.5%)

	Net Income per Share		Diluted Net income per Share	
	Yen	Sen	Yen	Sen
Q1 FY 3/2026	12.18	—	—	—
Q1 FY 3/2025	18.54	—	—	—

(2) Financial Position (Consolidated)

	Total Assets	Net Assets	Capital Ratio	Net Assets per Share
	mY	mY	%	Yen Sen
Q1 FY 3/2026	66,063	29,986	45.4	222.94
FY 3/2025	70,771	30,859	43.6	229.43

(For Ref.) Capital: Q1 FY 3/2026 29,986 mY FY 3/2025 30,859 mY

2. Dividend

(Record date)	Dividend Per Share				
	Q1	H1	Q3	End of FY	FY Total
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen
FY 3/2025	-	0.00	-	22.00	22.00
FY 3/2026	-				
FY 3/2026 (Forecast)	-	11.00	-	11.00	22.00

3. Consolidated Business Forecasts of FY 3/2026 (April 1, 2025 – March 31, 2026)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Net Profit per Share Outstanding
	mY	%	mY	%	mY	%	mY	%	Yen Sen
Full Year	110,000	-4.9	11,500	12.6	11,500	10.6	8,500	62.7	63.19

(Note) Changes in Business Forecasts of FY 3/2026: No

4. Other

- 1) Reclassification of significant subsidiaries during the period (Reclassification due to the change in scope of consolidation) : No
- 2) Adoption of specific accounting policies for quarterly financial statements : Yes
- 3) Changes in accounting principles, procedures and methods of presentation in consolidated financial statements
 - Changes resulting from revisions in accounting standards : No
 - Changes other than those above : No
 - Changes resulting from accounting estimates : No
 - Changes resulting from restatements : No
- 4) Numbers of shares outstanding (Common stock)

Number of shares outstanding at end of year (Including treasury stock):

	Shares		Shares
Q1 FY 3/2026	135,000,000	FY 3/2025	146,000,000

Number of treasury stock outstanding at end of year:

	Shares		Shares
Q1 FY 3/2026	495,186	FY 3/2025	11,495,186

Average number of shares during the fiscal year:

	Shares		Shares
Q1 FY 3/2026	134,504,814	Q1 FY 3/2025	144,757,355

*These financial results are not subject to review procedures by the certified public accountant or the audit firm.

*Forward-looking statements regarding future events and performance contained in this presentation are based on currently available information and involve risks and uncertainties. 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.

*Access to financial results materials

Business reports and other financial information are available on our website. Please note that the Supplementary Information pages, previously included in quarterly Summary of Consolidated Financial Results, have been discontinued. The information on financial results can now be accessed in the investor presentation materials on our website.

* Change in rounding method

Japanese yen amounts were previously rounded up or down to the nearest whole unit. As of the first quarter of the fiscal year ending March 2026, amounts are being rounded down. All comparative figures in the Japanese yen have been adjusted to reflect this change.

(Accompanying data)

Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Comprehensive Profit Statement, Consolidated Cash Flow Statement, Notes to Financial Statements, and Segment Information and Other information

1. Qualitative Information and Financial Statements

(1) Consolidated business performance

Note: All comparisons are with the same period of the previous fiscal year unless otherwise stated. Amounts for financial results are rounded down to the nearest million yen.

During the first quarter of the current fiscal year ending March 31, 2026 (April 1, 2025 to June 30, 2025), inflation in the global economy showed signs of easing amid ongoing geopolitical tension caused by the situation in Russia and Ukraine as well as in the Middle East, while the negative impact of U.S. tariffs contributed to uncertainty in the outlook. In this environment, the IT industry continued to create technological innovations and increased convenience in mobile, cloud, AI and blockchain. Relative to the average exchange rate during the same period of the previous fiscal year, the yen was stronger against the US dollar and the euro, reflecting market sentiment with respect to the global economy and the monetary and trade policies of major countries.

We announced Wacom's new Medium-Term Business Plan "Wacom Chapter 4" on May 9, 2025, and in pursuit of this plan's objectives we have been working to enhance and integrate our core proprietary technologies, pursuing technological innovation that will realize a new "Inking Experience." We have also continued initiatives to co-create experiences and communities with our partners, reflecting our commitment to growing together to deeply understand and discover the use cases of various communities. We have developed strategies to further evolve our business model as a "Instrument Craftsman": a trusted companion that delivers holistic inking experiences serving four key use case domains: Creation; Learning/Teaching; Work/Play & Beyond; and Well-being. In the first quarter of the current fiscal year, we promoted growth strategies for the future, collaborating with partner companies to develop our business model in each use case domain. We also implemented measures to improve productivity and cost structures through improved management decision-making.

In the Technology Solution Business segment, in addition to continuing efforts to position our digital pen technologies with Active-ES (electrostatic) and EMR (Electromagnetic Resonance) as the de facto standard, we undertook to expand the adoption of digital pen technologies for tablet and notebook PC devices and develop business opportunities in the educational market. For the first quarter of the current fiscal year under review, sales and segment profit fell below the level of the same period of the previous fiscal year, due to changes in demand trends among OEM customers and in the seasonal demand shift affected by the tariff policy in the U.S.

In the Branded Business segment, we worked to enhance technological innovation and improve customer service to deliver the ultimate creative experience to our customers. For the first quarter of the current fiscal year under review, segment profit returned to profitability for the first time in four fiscal years due to the success of business restructuring measures implemented in the previous fiscal year, although sales in this segment declined due to changes in demand trends resulting from the discontinuation of some models.

As a part of the company-wide initiatives in line with the strategic axis of the Medium-Term Management Plan "Wacom Chapter 4," to ensure the business restructuring of the Branded Business implemented in the previous fiscal year, we worked to streamline sales operations by shifting some overseas regions to a direct sales model from Japan, and acted to renew the product portfolio. In June 2025, we announced "Wacom Cintiq", a new mid-range display product designed to enhance drawing comfort and ease of concentration. We are continuing efforts to enhance corporate value over the medium to long term, while investing proactively and pursuing technological development that leverages our digital pen technology and creates an integrated experience of pen and ink that can serve as our next-generation growth engine. In April 2025, we invested in SYNCORE TECHNOLOGY to develop new use cases such as inking experience on displays for business use, and in May 2025, we invested in Holoeyes, Inc. to co-create the "inking" experience in the clinical environment and the medical workflow.

For our sustainability initiatives, in June 2025 we released "Wacom Story Book Issue 2: Usui-hon (thin book)" to supplement our Wacom Chapter 4 Medium-Term Business Plan. The Wacom Story Book series is an anthology of diverse stories from people involved with Wacom, and Issue 2

comprises booklets on four themes: Chapter 4: Side Story; Living Together with Communities; Our Sustainability; and Our Governance.

For the first quarter of the current fiscal year ending March 31, 2026, consolidated net sales decreased 16.0% to ¥24,505 million. Operating profit increased 7.9% to ¥2,723 million. Ordinary profit decreased 34.8% to ¥2,376 million, after recording foreign exchange losses of ¥333 million in non-operating expenses (foreign exchange gains of ¥1,102 million in non-operating income in the same period of the previous fiscal year). And net profit attributable to owners of parent decreased 39.0% to ¥1,638 million.

Business results by segment

Note: All comparisons are with the same period of the previous fiscal year, unless otherwise noted. From the first quarter of the current fiscal year, some changes have been made to the order and format of segment explanations.

1. Technology Solution Business

Sales of both EMR technology solution and AES technology solution were lower, due to a decline in sales volume, the stronger yen, and changes in the demand period from OEM partners due to the impact of U.S. tariff policies.

As a result of the above, overall sales in the Technology Solution Business segment for the first quarter of the current fiscal year ending March 31, 2026, decreased 17.3% to ¥17,971 million, and segment profit decreased 25.7% to ¥3,593 million.

2. Branded Business

Amid a renewal of the product portfolio, sales of mid-range display products and high-end pen tablet products increased, reflecting the introduction of new products. However, overall sales in this segment decreased due to a decline in sales volume resulting from factors such as the discontinuation of some models and the negative impact of a stronger yen.

As a result of the above, overall sales in the Branded Business segment for the first quarter of the current fiscal year ending March 31, 2026, decreased 12.2% to ¥6,534 million, and segment profit was ¥447 million (segment loss of the same period of the previous fiscal year was ¥883 million), due to the effect of fixed cost reduction by the business restructuring measures implemented in the previous fiscal year.

(2) Consolidated financial position

1. Status of assets, liabilities and net assets

Total assets as of June 30, 2025 decreased by ¥4,707 million to ¥66,063 million compared to the end of the previous fiscal year. The main factors contributing to this were an increase of ¥1,872 million in merchandise and finished goods and decreases of ¥4,938 million in cash and deposits and ¥2,076 million in others of non-current assets.

Total liabilities as of June 30, 2025 decreased by ¥3,834 million to ¥36,077 million compared to the end of the previous fiscal year. The main factors contributing to this were decreases of ¥956 million in provision for bonuses and ¥2,851 million in others of non-current liabilities.

Total net assets as of June 30, 2025 decreased by ¥873 million to ¥29,986 million compared to the end of the previous fiscal year. The main contributing factors were increases of ¥1,638 million by net profit attributable to owners of parent and ¥451 million in valuation difference on available-for-sale securities, and a decrease of ¥2,959 million by the payment of shareholder's dividends. As a result, the capital ratio increased by 1.8 points to 45.4% compared to the end of the previous fiscal year.

2. Cash flows

Consolidated cash and cash equivalents as of June 30, 2025 totaled ¥19,425 million, a ¥4,938 million decrease from the end of the previous fiscal year.

Cash flow from operating activities

Cash flow used from operating activities for the first quarter of the current fiscal year ending June 30, 2025, was ¥686 million (compared to ¥1,752 million used in the same period of the previous fiscal year). The main contributing factors were ¥2,260 million of profit before income taxes, ¥956 million of decrease in provision for bonuses, ¥1,555 million of increase in inventories, ¥1,101 million of increase/decrease in consumption taxes, ¥901 million of decrease in other non-current assets, and ¥2,735 million of decrease in other non-current liabilities.

Cash flow from investing activities

Cash flow used for investing activities for the first quarter of the current fiscal year ending June 30, 2025, was ¥951 million (compared to ¥172 million used in the same period of the previous fiscal year). The main contributing factors were ¥568 million of purchase of property, plant and equipment, and ¥389 million of purchase of investment securities.

Cash flow from financing activities

Cash flow used for financing activities for the first quarter of the current fiscal year ending June 30, 2025, was ¥2,973 million (compared to ¥4,792 million used in the same period of the previous fiscal year). The main contributing factors were ¥122 million of repayments of lease obligations and ¥2,850 million of payment for shareholders' dividends.

(3) Consolidated performance forecasts and other forward-looking information

No changes have been made to the full year forecast of consolidated financial results for the fiscal year ending March 31, 2026, which were announced on May 9, 2025.

2. Consolidated financial statements and significant notes

(1) Summary of consolidated balance sheet

(Millions of yen)

	FY 3/2025 (as of March 31, 2025)	Q1 FY 3/2026 (as of June 30, 2025)
Assets		
Current assets		
Cash and deposits	24,364	19,425
Accounts receivable-trade	11,603	11,799
Merchandise and finished goods	7,063	8,935
Work in process	332	294
Raw materials and supplies	5,688	5,367
Other	7,463	5,386
Allowance for doubtful accounts	-15	-8
Current assets	56,498	51,199
Non-current assets		
Property, plant and equipment		
Other	4,368	4,211
Property, plant and equipment	4,368	4,211
Intangible assets		
Other	1,331	1,263
Intangible assets	1,331	1,263
Investments and other assets		
Other	8,572	9,388
Investments and other assets	8,572	9,388
Non-current assets	14,272	14,863
Assets	70,771	66,063
Liabilities		
Current liabilities		
Accounts payable-trade	11,109	11,294
Short-term borrowings	5,000	5,000
Income taxes payable	551	496
Provision for bonuses	1,327	370
Provision for bonuses for directors (and other officers)	60	71
Provision for product warranties	170	178
Valuation reserve for inventory purchase commitments	1,754	1,699
Provision for business restructuring	73	68
Asset retirement obligations	11	11
Other	10,969	8,118
Current liabilities	31,028	27,308
Non-current liabilities		
Long-term borrowings	7,000	7,000
Retirement benefit liability	1,023	1,030
Asset retirement obligations	269	272
Other	590	466
Non-current liabilities	8,883	8,769
Liabilities	39,911	36,077

(Millions of yen)

	FY 3/2025 (as of March 31, 2025)	Q1 FY 3/2026 (as of June 30, 2025)
Net assets		
Shareholders' equity		
Share capital	4,203	4,203
Capital surplus	4,048	4,044
Retained earnings	27,938	19,002
Treasury shares	-7,961	-342
Shareholders' equity	28,228	26,907
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	361	812
Foreign currency translation adjustment	2,210	2,208
Remeasurements of defined benefit plans	59	57
Valuation and translation adjustments	2,631	3,078
Net assets	30,859	29,986
Liabilities and net assets	70,771	66,063

(2) Consolidated profit & loss statement

(Millions of yen)

	Q1 FY 3/2025 (April 1, 2024 to June 30, 2024)	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)
Net sales	29,174	24,505
Cost of sales	19,105	15,277
Gross profit (loss)	10,068	9,227
Selling, general and administrative expenses	7,543	6,503
Operating profit (loss)	2,525	2,723
Non-operating income		
Interest income	39	4
Foreign exchange gains	1,102	—
Gain on forfeiture of unclaimed dividends	4	3
Recoveries of written off receivables	—	5
Other	4	4
Non-operating income	1,151	18
Non-operating expenses		
Interest expenses	29	31
Foreign exchange losses	—	333
Other	3	0
Non-operating expenses	33	365
Ordinary profit (loss)	3,643	2,376
Extraordinary income		
Gain on sale of non-current assets	0	0
Extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	0	—
Business restructuring expenses	39	116
Extraordinary losses	40	116
Profit (loss) before income taxes	3,603	2,260
Income taxes	919	621
Profit (loss)	2,683	1,638
Profit (loss) attributable to owners of parent	2,683	1,638

Consolidated Comprehensive Income Statement

(Millions of yen)

	Q1 FY 3/2025 (April 1, 2024 to June 30, 2024)	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)
Profit (loss)	2,683	1,638
Other comprehensive income		
Valuation difference on available-for-sale securities, net of tax	-16	451
Foreign currency translation adjustment, net of tax	800	-1
Remeasurements of defined benefit plans, net of tax	-0	-2
Other comprehensive income	783	447
Comprehensive income	3,467	2,085
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,467	2,085
Comprehensive income attributable to non-controlling interests	—	—

(3) Summary of consolidated cash flow statement

(Millions of yen)

	Q1 FY 3/2025 (April 1, 2024 to June 30, 2024)	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)
Cash flows from operating activities		
Profit (loss) before income taxes	3,603	2,260
Depreciation	542	438
Increase (decrease) in allowance for doubtful accounts	-9	-6
Increase (decrease) in provision for bonuses	-957	-956
Increase (decrease) in provision for bonuses for directors (and other officers)	8	11
Increase (decrease) in retirement benefit liability	-8	3
Interest and dividend income	-39	-4
Interest expenses	34	32
Foreign exchange losses (gains)	-1,308	437
Loss (gain) on sale of non-current assets	0	-0
Decrease (increase) in trade receivables	-669	-203
Decrease (increase) in inventories-OpeCF	-1,992	-1,555
Increase (decrease) in trade payables	3,780	170
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	-471	1,101
Decrease (increase) in other current assets	-1,747	901
Increase (decrease) in other current liabilities	-2,353	-2,735
Decrease (increase) in other non-current assets	6	-6
Increase (decrease) in other non-current liabilities	-3	-35
Other, net	11	6
Subtotal	-1,574	-141
Interest and dividends received	39	4
Interest paid	-65	-63
Income taxes refund (paid)	-151	-486
Net cash provided by (used in) operating activities	-1,752	-686
Cash flows from investing activities		
Purchase of property, plant and equipment	-163	-568
Purchase of intangible assets	-9	—
Purchase of investment securities	—	-389
Proceeds from sale of property, plant and equipment	0	0
Payments of leasehold and guarantee deposits	-3	-0
Proceeds from refund of leasehold and guarantee deposits	3	5
Net cash provided by (used in) investing activities	-172	-951
Cash flows from financing activities		
Purchase of treasury shares	-1,797	—
Repayments of lease liabilities	-209	-122
Dividends paid	-2,786	-2,850
Net cash provided by (used in) financing activities	-4,792	-2,973
Effect of exchange rate change on cash and cash equivalents	1,708	-327
Net increase (decrease) in cash and cash equivalents	-5,009	-4,938
Cash and cash equivalents	31,660	24,364
Cash and cash equivalents	26,651	19,425

(4) Notes for consolidated financial statements

(Adoption of specific accounting policies for quarterly financial statements)

Concerning tax expenses, the Company reasonably estimated effective tax rate for profit before income taxes for the current fiscal year, which includes the current first quarter, by applying tax effect accounting. Then it calculated tax expenses for the current first quarter by multiplying the amount of profit before income taxes for the current first quarter by the estimated effective tax rate for the current fiscal year.

(Segment Information and Other information)

Information on the amount of sales and profit or loss by reportable segment

Q1 FY 3/2025 (April 1, 2024 – June 30, 2024)

(Millions of yen)

	Reportable Segments			Amount of Adjustment (Note)1	Amount of Consolidated Financial Statements (Note)2
	Branded Business	Technology Solution Business	Sub Total		
Sales					
Sales towards external customers	7,443	21,730	29,174	—	29,174
Sales between internal segments and internal transfer	—	—	—	—	—
Total	7,443	21,730	29,174	—	29,174
Segment profit or loss (-)	-883	4,837	3,954	-1,428	2,525

(Note) 1. The above -¥1,428 million of “Amount of Adjustment” in “Segment Profit” is mainly the cost of its administrative divisions which are not included in the reportable segments.

2. “Segment Profit or Loss” is adjusted for “Operating Profit”.

Q1 FY 3/2026 (April 1, 2025 – June 30, 2025)

(Millions of yen)

	Reportable Segments			Amount of Adjustment (Note)1	Amount of Consolidated Financial Statements (Note)2
	Branded Business	Technology Solution Business	Sub Total		
Sales					
Sales towards external customers	6,534	17,971	24,505	—	24,505
Sales between internal segments and internal transfer	—	—	—	—	—
Total	6,534	17,971	24,505	—	24,505
Segment profit or loss (-)	447	3,593	4,041	-1,317	2,723

(Note) 1. The above -¥1,317 million “Amount of Adjustment” in “Segment Profit” is mainly the cost of its administrative divisions which are not included in the reportable segments.

2. “Segment Profit or Loss” is adjusted for “Operating Profit”.

(Notes on significant changes in the amount of shareholders' equity)

The Company cancelled 11,000,000 shares on May 16, 2025, based on the resolution by the Board of Directors held on May 9, 2025. As the balance of other capital surplus in capital surplus became a negative value by the cancellation of treasury stock on May 16, 2025, the Company set other capital surplus to zero and the said negative value was reduced from retained earnings. As a result of the above-mentioned accounting process, retained earnings decreased by ¥8,936 million and treasury shares decreased by ¥7,618 million during the first quarter of the current fiscal year. As of June 30, 2025, retained earnings were ¥ 19,002 million and treasury shares were ¥342 million.

(Notes for going concern assumption)

Not applicable

(Significant subsequent events)

Not applicable