Q1 FY 3/2027 Summary of Consolidated Financial Results

July 30, 2026

Company Name Wacom Co., Ltd. (Code Number: 6727 TSE Prime)
(URL https://www.wacom.com)
Representative: Nobutaka Ide, CEO TEL: +81-3-5337-6502
Contact: Amane Kojima, CFO

Preparation of Supplemental Explanatory Material for Financial Results: Yes
Holding of Large Meeting for Financial Results: No

(Round down to millions of yen)

1. Q1 FY 3/2027 Consolidated Financial Results (April 1, 2026 – June 30, 2026)

(1) Business Performance (Consolidated) (% indicates year-on-year change)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	mY	%	mY	%	mY	%	mY	%
Q1 FY 3/2027	22,659	-7.5	2,717	-0.2	2,815	18.5	2,046	24.9
Q1 FY 3/2026	24,505	-16.0	2,723	7.9	2,376	-34.8	1,638	-39.0

(Note) Comprehensive income Q1 FY 3/2027 2,917 mY (39.9%) Q1 FY 3/2026 2,085 mY (-39.8%)

	Net Income per Share	Diluted Net Income per Share
	Yen Sen	Yen Sen
Q1 FY 3/2027	15.24	—
Q1 FY 3/2026	12.18	—

(2) Financial Position (Consolidated)

	Total Assets	Net Assets	Capital Ratio	Net Assets per Share
	mY	mY	%	Yen Sen
Q1 FY 3/2027	64,968	36,818	56.7	277.32
FY 3/2026	64,957	37,419	57.6	278.10

(For Ref.) Capital: Q1 FY 3/2027 36,817 mY FY 3/2026 37,418 mY

2. Dividend

	Annual Dividend Per Share				
	Q1	H1	Q3	End of FY	FY Total
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen
FY 3/2026	-	11.00	-	15.00	26.00
FY 3/2027	-				
FY 3/2027 (Forecast)		12.00	-	12.00	24.00

(Note) Changes in Dividend Forecast of FY 3/2027: No
Breakdown of Year-End Dividend for FY 3/2026
Ordinary Dividend: ¥12.00 Commemorative Dividend: ¥3.00

3. Consolidated Business Forecasts of FY 3/2027 (April 1, 2026 – March 31, 2027)

	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	0.0	14,000	4.6	14,000	-0.0	10,000	4.7	74.32

(Note) Changes in Business Forecasts of FY 3/2027: 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

(Note) For details, please refer to page 11 of the attached document, “2. Quarterly Consolidated Financial Statements and Significant Notes (4) Notes for quarterly consolidated financial statements (Adoption of specific accounting policies for quarterly financial statements).”

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):

Q1 FY 3/2027	Shares 135,000,000	FY 3/2026	Shares 135,000,000

Number of treasury stock outstanding at end of year:

Q1 FY 3/2027	Shares 2,239,369	FY 3/2026	Shares 449,869

Average number of shares during the fiscal year:

Q1 FY 3/2027	Shares 134,253,345	Q1 FY 3/2026	Shares 134,504,814

*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.

(Accompanying data)

Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Comprehensive Profit Statement, Consolidated Cash Flow Statement, Notes to Financial Statements, 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, 2027 (April 1, 2026 to June 30, 2026), uncertainty in the global economy continued amid continuing geopolitical tension caused by the situations in Russia, Ukraine and the Middle East, and the impacts on economic activity caused by rising energy and raw material prices. In this environment, the social implementation of AI-related technologies continued to advance rapidly, while the IT industry continued to see technological innovations and increased convenience in areas such as cloud computing, blockchain and mobile technologies. Relative to the average exchange rate during the same period of the previous fiscal year, the yen was weaker against the US dollar, reflecting market sentiment with respect to the global economy and the monetary and trade policies of major countries.

On May 9, 2025, we announced Wacom's new Medium-Term Business Plan "Wacom Chapter 4," the final year of which is the fiscal year ending March 2029. To achieve the plan's objectives, we have been working to enhance and integrate our core proprietary technologies and pursue technological innovation capable of realizing a new "Inking Experience." We have also continued to work with partners to co-create experiences and foster community engagement in order to identify and gain a deeper understanding of use cases for various communities. We have developed strategies to further evolve our business model as an "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. During the first quarter of the current fiscal year, we have worked with our partners to advance strategies for evolving our business models across each use case domain. We have also implemented measures to improve productivity and cost structures through improved management decision-making. In addition, we will accelerate our business growth across the four use-case domains as a provider of service experiences by connecting the human processes of "Inking (draw / write)"—including cognitive pathways and dynamic movement—to AI and digital technologies, thereby creating new experiential value.

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 education market. For the first quarter of the current fiscal year under review, sales and segment profit were lower than the same period of the previous fiscal year due to changes in demand trends associated with OEM customer product cycles and soaring semiconductor memory prices.

In the Branded Business segment, we worked to enhance technological innovation and improve customer service to deliver the ultimate creative experience to customers. For the first quarter of the current fiscal year under review, sales and segment profit were higher than the same previous period, driven by efforts to increase sales of products introduced during the previous fiscal year under our product portfolio renewal effort. As a part of company-wide initiatives aligned with the strategic pillars of the Medium-Term Management Plan "Wacom Chapter 4," we have been working to expand sales of products launched in the previous fiscal year to further realize tangible benefits of the product portfolio renewal in the Branded Business.

Furthermore, from the perspective of pursuing medium- to long-term enhancement of corporate value, we are proactively investing and forming partnerships to advance technological development that leverages our digital pen technology and creates an integrated pen and ink experience that can serve as our next-generation growth engine.

As a result of the above, for the first quarter of the current fiscal year ending March 31, 2027, consolidated net sales decreased 7.5% to ¥22,659 million. Operating profit decreased 0.2% to ¥2,717 million. Ordinary profit increased 18.5% to ¥2,815 million mainly due to a decrease in foreign exchange losses recorded under non-operating expenses compared with the same period of the previous year. And net profit attributable to owners of parent increased 24.9% to ¥2,046 million.

Business results by segment

Note: All comparisons are with the same period of the previous fiscal year, unless otherwise noted.

Effective as of 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

Both AES technology and EMR technology solution sales were lower relative to the same previous period, mainly due to lower sales volume and changes in demand trends associated with OEM customer product cycles and soaring semiconductor memory prices. 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, 2027, decreased 20.7% to ¥14,248 million, and segment profit decreased 12.9% to ¥3,129 million.

2. Branded Business

As part of the product portfolio renewal, sales of portable creative products and mid-range display products launched since June 2025 exceeded those of the same previous period. Overall sales also exceed the same period of the previous fiscal year. 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, 2027, increased 28.7% to ¥8,411 million, and segment profit increased 122.8% to ¥997 million.

(2) Consolidated financial position

1. Status of assets, liabilities and net assets

Total assets as of June 30, 2026 increased by ¥10 million to ¥64,968 million compared to the end of the previous fiscal year. The main factors contributing to this were increases of ¥1,500 million in merchandise and finished goods, ¥768 million in raw materials and supplies, and ¥771 million in investments and other assets, and decreases of ¥2,360 million in cash and deposits, ¥490 million in accounts receivable – trade, and ¥206 million in property, plant and equipment.

Total liabilities as of June 30, 2026 increased by ¥612 million to ¥28,150million compared to the end of the previous fiscal year. The main factors contributing to this were increases of ¥1,894 million in accounts payable-trade and ¥ 2,500 million in short-term borrowings, and decreases of ¥1,757 million in income taxes payable, ¥1,032 million in provision for bonuses, and ¥1,097 million in others of non-current liabilities.

Total net assets as of June 30, 2026 decreased by ¥601 million to ¥36,818 million compared to the end of the previous fiscal year. The main contributing factors were increases of ¥2,046 million by profit attributable to owners of parent, ¥695 million in valuation difference on available-for-sale securities, and ¥180 million in foreign currency translation adjustments, and decreases of ¥2,018 million by the payment of shareholder's dividends and ¥1,499 million by the acquisition of treasury stock. As a result, the capital ratio decreased by 0.9 points to 56.7% compared to the end of the previous fiscal year.

2. Cash flows

Consolidated cash and cash equivalents as of June 30, 2026 totaled ¥14,138 million, a ¥2,360 million decrease from the end of the previous fiscal year.

<u>Cash flow from operating activities</u>
Cash flow used from operating activities for the first quarter of the current fiscal year ending March 31, 2027, was ¥1,020 million (compared to ¥686 million used in the same period of the previous fiscal year). The main contributing factors were ¥2,721 million of profit before income taxes, ¥1,042 million of decrease in provision for bonuses, ¥2,307 million of increase in inventories, ¥1,884 million of increase in trade payables, and ¥2,425 million of income taxes paid.

<u>Cash flow from investing activities</u>
Cash flow used for investing activities for the first quarter of the current fiscal year ending March 31, 2027, was ¥465 million (compared to ¥951 million used in the same period of the previous fiscal year). The main contributing factors were ¥176 million of purchase of property, plant and equipment, and ¥267 million of purchase of intangible assets.

<u>Cash flow from financing activities</u>
Cash flow used for financing activities for the first quarter of the current fiscal year ending March 31, 2027, was ¥1,067 million (compared to ¥2,973 million used in the same period of the previous fiscal year). This was mainly due to cash outflows exceeding cash inflows, as expenditures including ¥1,500 million for purchase of treasury shares and ¥1,943 million for dividends paid outweighed proceeds of ¥2,500 million from short-term borrowings.

(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, 2027, which were announced on May 12, 2026.

2. Quarterly Consolidated financial statements and significant notes

(1) Summary of consolidated balance sheet

(Millions of yen)

	FY 3/2026 (as of March 31, 2026)	Q1 FY 3/2027 (as of June 30, 2026)
Assets		
Current assets		
Cash and deposits	16,499	14,138
Accounts receivable - trade	12,293	11,803
Merchandise and finished goods	7,351	8,851
Work in process	265	351
Raw materials and supplies	5,086	5,854
Other	5,930	5,840
Allowance for doubtful accounts	-49	-2
Total current assets	47,378	46,838
Non-current assets		
Property, plant and equipment	5,521	5,315
Intangible assets		
Goodwill	1,638	1,601
Other	1,270	1,294
Total intangible assets	2,909	2,895
Investments and other assets	9,148	9,919
Total non-current assets	17,579	18,130
Total assets	64,957	64,968
Liabilities		
Current liabilities		
Accounts payable - trade	8,733	10,628
Short-term borrowings	662	3,162
Current portion of long-term borrowings	61	61
Income taxes payable	2,644	887
Provision for bonuses	1,447	414
Provision for bonuses for directors (and other officers)	46	56
Provision for product warranties	218	247
Valuation reserve for inventory purchase commitments	1,853	1,882
Provision for business restructuring	41	7
Asset retirement obligations	22	23
Other	8,319	7,221
Total current liabilities	24,051	24,593
Non-current liabilities		
Long-term borrowings	1,445	1,445
Retirement benefit liability	968	1,017
Asset retirement obligations	276	282
Other	795	811
Total non-current liabilities	3,486	3,557
Total liabilities	27,538	28,150

(Millions of yen)

	FY 3/2026 (as of March 31, 2026)	Q1 FY 3/2027 (as of June 30, 2026)
Net assets		
Shareholders' equity		
Share capital	4,203	4,203
Capital surplus	4,044	4,044
Retained earnings	25,431	25,460
Treasury shares	-311	-1,811
Total shareholders' equity	33,368	31,896
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	541	1,236
Foreign currency translation adjustment	3,403	3,584
Remeasurements of defined benefit plans	105	99
Total accumulated other comprehensive income	4,050	4,920
Non-controlling interests	0	0
Total net assets	37,419	36,818
Total liabilities and net assets	64,957	64,968

(2) Consolidated profit & loss statement

(Millions of yen)

	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)	Q1 FY 3/2027 (April 1, 2026 to June 30, 2026)
Net sales	24,505	22,659
Cost of sales	15,277	13,076
Gross profit	9,227	9,583
Selling, general and administrative expenses	6,503	6,866
Operating profit	2,723	2,717
Non-operating income		
Interest income	4	3
Royalty income	―	120
Recoveries of written off receivables	5	―
Other	8	23
Total non-operating income	18	147
Non-operating expenses		
Interest expenses	31	18
Foreign exchange losses	333	30
Other	0	0
Total non-operating expenses	365	49
Ordinary profit	2,376	2,815
Extraordinary income		
Gain on sale of non-current assets	0	0
Reversal of provision for business restructuring	―	2
Total extraordinary income	0	2
Extraordinary losses		
Loss on sale of non-current assets	―	0
Loss on valuation of investment securities	―	96
Business restructuring expenses	116	―
Other	―	0
Total extraordinary losses	116	97
Profit before income taxes	2,260	2,721
Income taxes	621	674
Profit	1,638	2,046
Profit attributable to non-controlling interests	―	―
Profit attributable to owners of parent	1,638	2,046

Consolidated Comprehensive Income Statement

(Millions of yen)

	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)	Q1 FY 3/2027 (April 1, 2026 to June 30, 2026)
Profit	1,638	2,046
Other comprehensive income		
Valuation difference on available-for-sale securities	451	695
Foreign currency translation adjustment	-1	180
Remeasurements of defined benefit plans, net of tax	-2	-5
Total other comprehensive income	447	870
Comprehensive income	2,085	2,917
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,085	2,917
Comprehensive income attributable to non-controlling interests	—	—

(3) Summary of consolidated cash flow statement

(Millions of yen)

	Q1 FY 3/2026 (April 1, 2025 to June 30, 2025)	Q1 FY 3/2027 (April 1, 2026 to June 30, 2026)
Cash flows from operating activities		
Profit before income taxes	2,260	2,721
Depreciation	438	482
Amortization of goodwill	―	37
Increase (decrease) in allowance for doubtful	-6	-46
Increase (decrease) in provision for bonuses	-956	-1,042
Increase (decrease) in provision for bonuses for	11	9
Increase (decrease) in retirement benefit liability	3	13
Interest and dividend income	-4	-3
Interest expenses	32	18
Foreign exchange losses (gains)	437	-65
Loss (gain) on sale of non-current assets	-0	0
Loss (gain) on valuation of investment securities	―	96
Decrease (increase) in trade receivables	-203	512
Decrease (increase) in inventories	-1,555	-2,307
Increase (decrease) in trade payables	170	1,884
Increase/decrease in consumption taxes	1,101	-308
Decrease (increase) in other current assets	901	375
Increase (decrease) in other current liabilities	-2,735	-971
Decrease (increase) in other non-current assets	-6	3
Increase (decrease) in other non-current liabilities	-35	-1
Other, net	6	8
Subtotal	-141	1,418
Interest and dividends received	4	3
Interest paid	-63	-17
Income taxes refund (paid)	-486	-2,425
Net cash provided by (used in) operating activities	-686	-1,020
Cash flows from investing activities		
Purchase of property, plant and equipment	-568	-176
Proceeds from sale of property, plant and equipment	0	0
Purchase of intangible assets	―	-267
Purchase of investment securities	-389	―
Payments of leasehold and guarantee deposits	-0	-23
Proceeds from refund of leasehold and guarantee	5	2
Net cash provided by (used in) investing activities	-951	-465
Cash flows from financing activities		
Proceeds from short-term borrowings	―	2,500
Repayments of lease liabilities	-122	-123
Purchase of treasury shares	―	-1,500
Dividends paid	-2,850	-1,943
Net cash provided by (used in) financing activities	-2,973	-1,067
Effect of exchange rate change on cash and cash	-327	192
Net increase (decrease) in cash and cash equivalents	-4,938	-2,360
Cash and cash equivalents at beginning of period	24,364	16,499
Cash and cash equivalents at end of period	19,425	14,138

(4) Notes for quarterly 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 sales, profit or loss, assets, liabilities, and other Items by reportable segment

1. 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 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".

2. Q1 FY 3/2027 (April 1, 2026 – June 30, 2026) (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	8,411	14,248	22,659	—	22,659
Sales between internal segments and internal transfer	—	—	—	—	—
Total	8,411	14,248	22,659	—	22,659
Segment profit or loss (-)	997	3,129	4,126	-1,409	2,717

(Note) 1. The above -¥1,409 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".

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

The Company implemented treasury stock acquisition of 1,789,500 shares during the first quarter of the current fiscal year based on the resolution by the Board of Directors held on May 12, 2026.

As a result of the above, treasury shares increased by ¥1,499 million during the first quarter of the current fiscal year and as of June 30, 2026, treasury shares were ¥1,811 million.

(Notes for going concern assumption)

Not applicable

(Significant subsequent events)

Not applicable