For reference (*)

May 9, 2024

Recording of Extraordinary Loss (Impairment Loss), and Difference between Consolidated Financial Forecasts and Results for the Fiscal Year Ended March 31, 2024 (FY 3/2024)

Tokyo, May 9, 2024 ----- Wacom Co., Ltd. (the "Company") today announced the recording of an extraordinary loss (impairment loss) for the fourth quarter (January 1, 2024 to March 31, 2024) of the fiscal year ended March 31, 2024).

The Company also announced the difference between consolidated financial forecasts and full-year results for the fiscal year ended March 31, 2024. The most recent forecasts were disclosed on March 29, 2024, available here, and full-year results were announced today.

1) Recording of extraordinary loss (impairment loss)

An extraordinary loss of 941 million Japanese yen was recorded for Molds, jigs, equipment, others in the Branded Business segment as an impairment loss in compliance with the impairment treatment based on "Accounting Standards for Impairment of Fixed Assets".

Regarding the impact from the factor 1) mentioned above on the financial results, please refer to "2) Differences between consolidated financial forecasts and full-year results for the fiscal year of FY 3/2024 (April 1, 2023 to March 31, 2024)".

2) Difference between consolidated financial forecasts and results for the fiscal year of FY 3/2024 (April 1, 2023 to March 31, 2024)

	Net sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Profit attributable to owners of parent (million yen)	Net profit per share (yen)
Previously announced forecast (A)	118,000	5,300	8,200	3,700	24.09
Revised forecasts (B)	118,795	7,058	9,853	4,562	29.64
Amount of changes (B-A)	795	1,758	1,653	862	
Percentage change (%: B to A)	0.7	33.2	20.2	23.3	
(Reference) Results for the previous fiscal year	112,730	2,013	2,868	1,792	11.34

Principal reasons for the difference between forecasts and results

Consolidated net sales, operating profit, ordinary profit, and profit attributable to owners of parent for the current fiscal year, exceeded the previous consolidated financial forecasts. Net sales were higher than forecast due to demand increases in the Branded Business and the Technology Solution Business segments. Operating profit and ordinary profit exceeded forecast due to a lower-than-expected impact on cost of sales from loss on valuation of inventories, and certain SG&A expenses being lower than assumed, as well as the effect of higher sales mentioned above. Profit attributable to owners of parent exceeded forecast due to the positive impacts noted above, which more than offset the negative impact of the impairment loss in the Branded Business segment announced today.

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

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