



# Financial Results Highlights

## FY12/2023

**February 14, 2024**

# Roland Corporation

TSE Prime : 7944



## Executive Summary

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### ● FY12/2023

- Sales and Operating Profit **increased YoY to record high**
- Promptly responded to a business environment that has changed significantly from expectations
- Steady progress in reducing finished goods inventories, **record Free Cash Flow**

### ● Progress of the Medium-Term Plan

- Achievement of final year's numerical targets will be pushed back due to changes in assumptions
- **Good progress** on the MTP initiatives itself

### ● FY12/2024 Forecast

- Expected to **be generally flat YoY**, excluding FX effects
- Positioned as **a transition period to normalization** from post COVID-19 phase
- **Steady implementation of the MTP investments for renewed growth** from FY12/2025

### ● Shareholder return

- Year-end dividend for FY12/2023 **maintained at initial forecast** (JPY85 per share)
- For FY12/2024, plan to pay a cash dividend of **the same amount as last year** (JPY85 at the end of Q2, JPY85 at the end of Q4, per share)

**1**

**FY12/2023 Results**

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**Progress of the Medium-Term Plan (FY2023-2025)**

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**FY12/2024 Forecast**

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**Supplemental Information**

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## Highlight

(JPY)

### Sales

**102.4**<sub>bn</sub>(YoY: **+6.9%**)

- Sell-in affected by dealer inventory adjustments, lower demand for electronic pianos, and difficulties in China
- Sales increase due to the FX effects and the new consolidation of Drum Workshop (DW)

### Operating Profit

**11.8**<sub>bn</sub>(YoY: **+10.4%**)

- **SG&A expenses properly controlled** in line with the Sell-in situation
- **Increased YoY due to positive effects** such as reduction of marine transportation costs

### Net Income<sup>1</sup>

**8.1**<sub>bn</sub>(YoY: **-8.8%**)

- No major extraordinary gains or losses  
In the previous year, there was a gain on the liquidation of a subsidiary and deferred tax assets (one-time factor)

<sup>1</sup> Net income refers to "net income attributable to owners of parent"

Consolidated Financial Results

- Operating Profit Margin before amortization of goodwill was 11.9%

	FY12/2022 <sup>1</sup>		FY12/2023 <sup>2</sup>		
(JPY mn)	Actual	% of Sales	Actual	% of Sales	YoY
Sales	95,840	100.0%	102,445	100.0%	+6.9%
Gross Profit	39,356	41.1%	43,932	42.9%	+11.6%
SG & A	28,605	29.8%	32,060	31.3%	+12.1%
Operating Profit	10,751	11.2%	11,871	11.6%	+10.4%
(Before amortization of goodwill)	10,845	11.3%	12,230	11.9%	+12.8%
Net Income <sup>3</sup>	8,938	9.3%	8,151	8.0%	-8.8%

1 Exchange rate for FY12/2022 USD/JPY: 131.44, EUR/JPY: 138.10, EUR/USD: 1.051

2 Exchange rate for FY12/2023 USD/JPY: 140.57, EUR/JPY: 152.05, EUR/USD: 1.082

3 Net income refers to "net income attributable to owners of parent"

Consolidated Financial Results (Reference: Excluding the effect of new consolidation of DW)

- Operating Profit Margin excluding the effect of new consolidation was 13.2%

	FY12/2022 <sup>1</sup>		FY12/2023 <sup>2</sup>		
(JPY mn)	Actual	% of Sales	Actual	% of Sales	YoY
Sales	95,840	100.0%	95,684	100.0%	-0.2%
Gross Profit	39,356	41.1%	41,982	43.9%	+6.7%
SG & A	28,605	29.8%	29,350	30.7%	+2.6%
Operating Profit	10,751	11.2%	12,631	13.2%	+17.5%
Net Income <sup>3</sup>	8,938	9.3%	8,855	9.3%	-0.9%

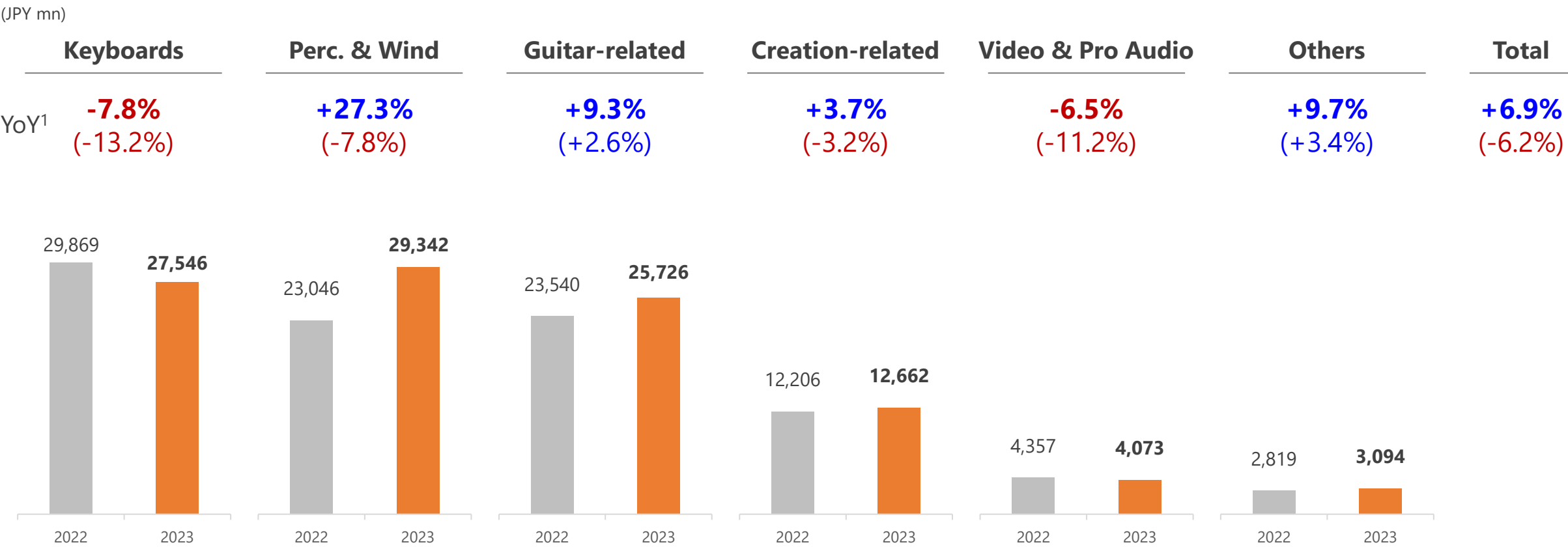
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2 Exchange rate for FY12/2023 USD/JPY: 140.57, EUR/JPY: 152.05, EUR/USD: 1.082

3 Net income refers to "net income attributable to owners of parent"

Sales by Category (Q4 YTD)

- Keyboards struggled globally due to subdued stay-at-home demand, price competition and dealer inventory adjustments
- Although Percussion & Wind continued to be stagnant in China, total sales increased significantly due to DW consolidation
- Video & Pro Audio struggled in entry-level distribution equipment and V-MODA brand headphones
- Guitar-related remained strong due to the delivery of backorders and the impact of new products

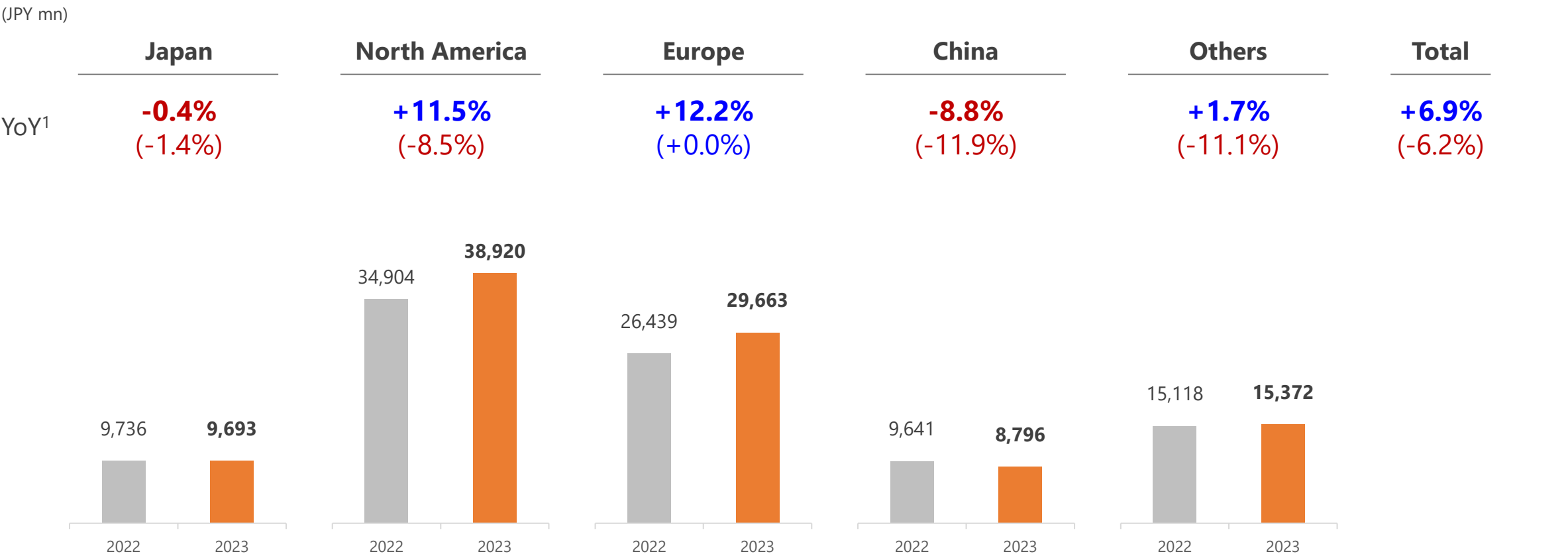


1 Figures in ( ) are comparisons excluding the effect of exchange rates and the DW new consolidation.



Sales by Region (Q4 YTD)

- In North America, Sell-in struggled by dealer inventory adjustment, while Sell through remained at the same level YoY
- Delayed recovery in China, also affected by the double reduction policy
- Other regions were polarized (emerging countries ◎, developed countries ×)



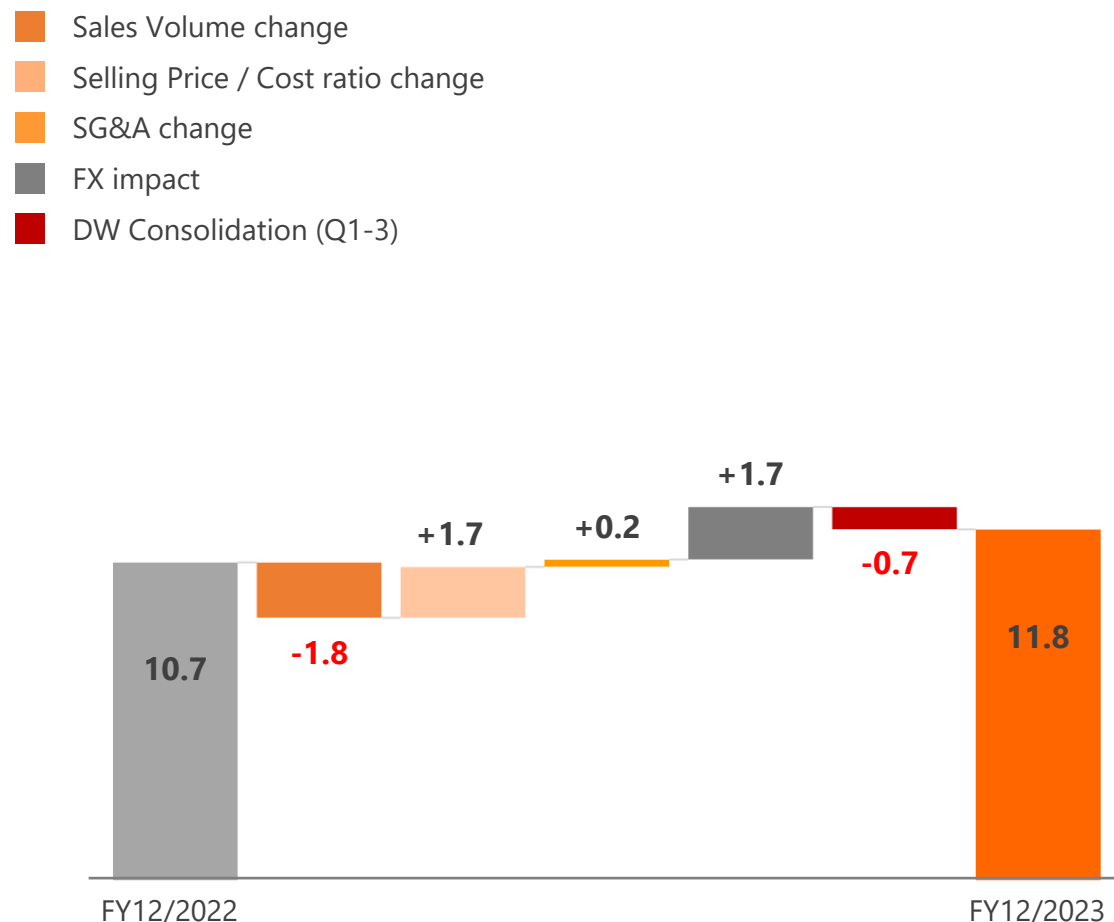
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# Consolidated Operating Profit

Changes (vs Previous year)

Factors

(JPY bn)



## • Sales Volume

- ✓ Decrease in Sell-in due to dealer inventory adjustments
- ✓ Decrease in demand for Electronic Pianos and the Chinese market

## • Selling Price / Cost ratio

- ✓ Raw material prices remain high (-)
- ✓ Promoting our inventory optimization (-)
- ✓ Decrease in marine transportation costs (+)

## • SG&A

- ✓ Disciplined cost management

## • DW Consolidation

- ✓ Upfront investment in new product-related expenses (R&D, marketing cost), etc.

**1** **FY12/2023 Results**

**2** **Progress of the Medium-Term Plan (FY2023-2025)**

**3** **FY12/2024 Forecast**

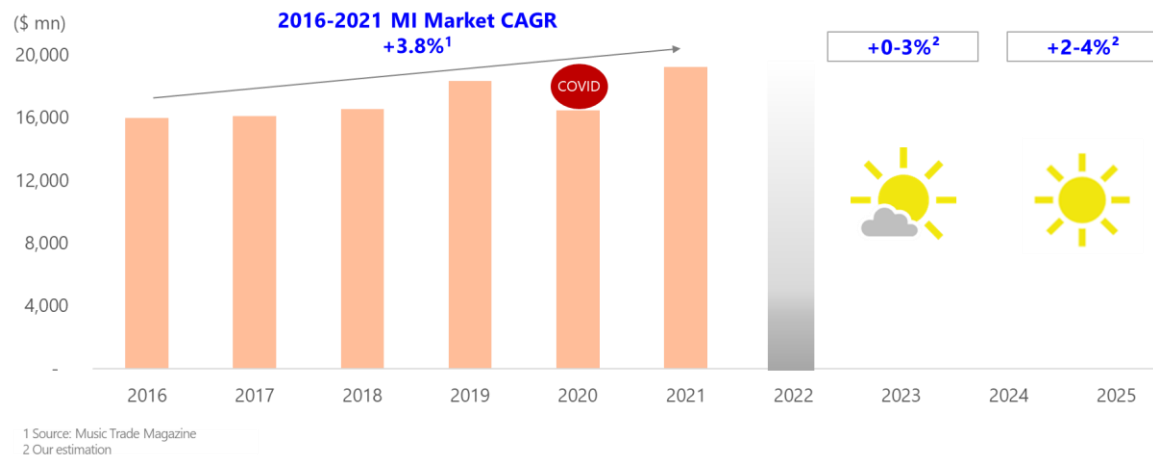
**4** **Shareholder return**

**5** **Supplemental Information**

## Recognition of the business environment

### At the time of planning (FY2022)

- Expected to return to the normal growth trajectory after the pandemic





### Now

- FY2022-2024 is a period of adjustment to normalization;  
**Negative growth in the global Musical Instruments (MI) market**
  - Adjustment of the supply-demand balance disturbed by COVID-19
  - A temporary decline in demand, particularly for electronic pianos, which was boosted by stay-at-home demand
  - Recovery delayed in China
- **Return to normal growth path after FY2025**

1. Due to changes in assumptions, the achievement of numerical targets for the final year of the MTP has been pushed back.
2. Environmental changes are temporary. Long-term growth momentum in the musical instruments industry remains unchanged.

# Response to Temporary Changes in the Business Environment

- Minimizing the impact and getting over the COVID-19 pandemic

	Impact on Roland	Response	
FY2023	<ul style="list-style-type: none"><li>● Decrease in sales volume</li><li>● Deterioration in investment efficiency</li></ul>	<ul style="list-style-type: none"><li>● <b>Emergency response</b> to maximize profits</li></ul>	 <b>Secured Profit increase</b>
FY2024		<ul style="list-style-type: none"><li>● <b>Normalization of investments and operations</b> for the recovery period</li></ul>	
After FY2025	<p>To ride the wave of recovery in the business environment as quickly as possible and return to a normal growth path (industry growth <b>+α</b>) in terms of both sales and profits</p> <ul style="list-style-type: none"><li>● <b>Positioning with a relative advantage</b> (Focus on Electronic Musical Instruments with high growth potential and overseas sales)</li><li>● <b>Unique strength</b> (creating demand with Game Changer products, increasing LTV<sup>1</sup> with Roland Cloud)</li></ul>		 <b>Regrowth phase</b>

1 Lifetime Value

## Core Strategies for Growth

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No change in core strategy; steady implementation of measures for renewed growth from FY2025

### 1. Creating Demand

**Market Creation** by **Game Changer** Products and **Acquiring Potential Customers**

### 2. Expanding Market Share

Re-enter **Portable keyboard markets** and Expansion Sales in **Emerging Countries**; Expand market share by **Roland Retail**

### 3. Increase LTV<sup>1</sup>

Create a mechanism for **Lifelong Enjoyment of Music**

### 4. Strengthen Foundation

**Energize Human Resource** and **Invest in Infrastructure** to Achieve Long-Term Vision

# Progress of the Medium-Term Plan

## 1. Creating Demand



- Development and launch well underway
- Further contribution from new products expected from 2024 onwards

### New products ratio<sup>1</sup>

2022	2023	2025 Target
Approx. 18%	Approx. <b>18%</b>	25%+

- Launch of the world's first Convertible Drums
- Entry into the game market
- Re-entry into the Portable Keyboard market

### New Products launched in FY12/2023



Convertible Drums 『DWe』



Guitar Amp 『KATANA』 Series



Gaming Audio Mixer  
『BRIDGE CAST』



4K support AV Mixer  
『VR-400UHD』



Guitar Synthesizer 『GM-800』



Digital Grand Piano  
『GP-9M』



Limited sales channel of  
Digital Piano



『SP-404MKII Stones Throw  
Limited Edition』



Portable Keyboard  
『EX-10』



Synthesizer  
『GAIA-2』



Wi-Fi  
Connection



Guitar Effector  
『ME-90』

<sup>1</sup> Percentage of total sales of products launched less than 12 months previously

# Progress of the Medium-Term Plan

## 2. Expanding Market Share



- The overall strategy is progressing well
- Chinese market is slow to recover

### Re-enter Portable keyboard markets

- Launched Entry level keyboards to gain a foothold
- Sales **better than planned**



『E-X10』



### Roland Retail sales<sup>2</sup> ratio

2022	2023	2025 Target
10.4%	12.8%	20%

- “Roland Store Tokyo” Open



- Expansion of “Store in Store<sup>3</sup>”

+4 stores	<ul style="list-style-type: none"><li>• Indonesia</li><li>• USA</li><li>• Czech Republic</li><li>• Denmark</li></ul>
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### Sales in emerging markets

China



YoY<sup>1</sup> **-11.9%**

India



YoY<sup>1</sup> **+22.9%**

Indonesia



YoY<sup>1</sup> **+36.1%**

Latin America



YoY<sup>1</sup> **+5.3%**

1 Comparison excluding the effect of FX rates and the new consolidation of DW  
2 Sales in Direct Store, Store in Store, Roland Direct EC, Online 3<sup>rd</sup> Party Platform, etc.  
3 Dedicated Roland corner in the music store



Progress of the Medium-Term Plan

3. Increase LTV<sup>1</sup>



- Cloud-ready products have steadily expanded
- Further acceleration of product, service and content launches from 2024 onwards

Expanding the Cloud-Ready product<sup>2</sup>

Strengthening customer relationships

Expanding Content & Services

2016	2023	2025 Target
0%	Approx. 35%	50%+

- Continued growth in products using Roland Cloud services since cloud launch

	2022	2023	2025 Target
Roland Account	2.3M	2.7M	3.4M
R. Cloud User <sup>3</sup>	0.8M	1.2M	2.0M
Paid User <sup>4</sup>	88K	115K	200K
Subscriber	24K	28K	50K



Virtual Drum Instruments  
『DW Soundworks』



Subscription Service  
『BGM CAST』



『FANTOM-EX Upgrade』



『Roland Cloud Manager』



Super Instruments  
『GALAXIAS』



Additional  
Sound Contents

1 Lifetime value  
2 Products that can access some of the services provided by Roland Cloud  
3 Cumulative number of users of the Roland Cloud service  
4 Number of subscribers registered at the end of each financial year + number of single purchases during each financial year

# Progress of the Medium-Term Plan

## 4. Strengthen Foundation



- Improved engagement scores
- Steady progress on the new headquarters and each of the systems investments

### Engagement scores

### ERP update

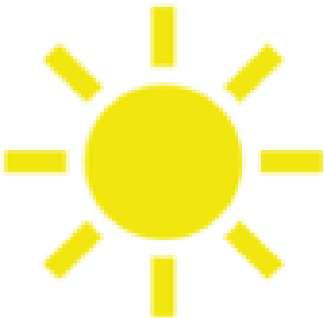
### Introduction of the SCP<sup>2</sup> system

### Construction of the new headquarters

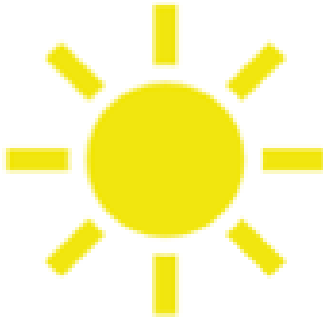
Engagement Index Changes<sup>1</sup>

2022	2023	2025 Target
100	101.4	104.1

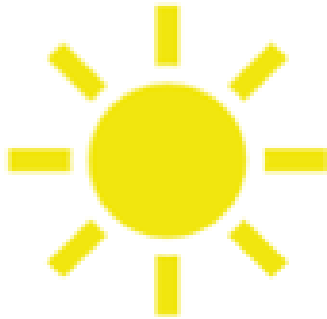
Operation in H2 2024 (plan)



Operation in H2 2024 (plan)



Completion in 2025 (plan)



1 Change from 2022 as 100 (using Gallup Engagement Survey)

2 Supply Chain Planning

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## Highlights

(JPY)

### Sales

**99.9**<sub>bn</sub>

(YoY: **-2.5%**)

- The other categories cover sales to counter the declining demand category (electronic pianos), which was boosted by stay-at-home demand
- Major regions generally flat YoY, emerging countries grow
- Expected to **be flat YoY (+0.5%) excluding FX effects**

### Operating Profit

**11.4**<sub>bn</sub>

(YoY: **-4.0%**)

- Steady implementation of MTP investments to regrowth from FY2025
- Expected to **be flat YoY (+3.3%) excluding FX effects**

### Net Income<sup>1</sup>

**8.5**<sub>bn</sub>

(YoY: **+4.3%**)

- No major extraordinary gains or losses are expected

<sup>1</sup> Net income refers to "net income attributable to owners of parent"

# Consolidated Financial Forecast

- Gross profit margin expected to improve +1.7pts

	FY12/2023 <sup>1</sup>		FY12/2024 <sup>2</sup>		
(JPY mn)	Actual	% of Sales	Forecast	% of Sales	YoY
Sales	102,445	100.0%	99,900	100.0%	-2.5%
Gross Profit	43,932	42.9%	44,600	44.6%	+1.5%
SG & A	32,060	31.3%	33,200	33.2%	+3.6%
Operating Profit	11,871	11.6%	11,400	11.4%	-4.0%
Net Income <sup>3</sup>	8,151	8.0%	8,500	8.5%	+4.3%
EBITDA	14,628	14.3%	14,340	14.4%	-2.0%

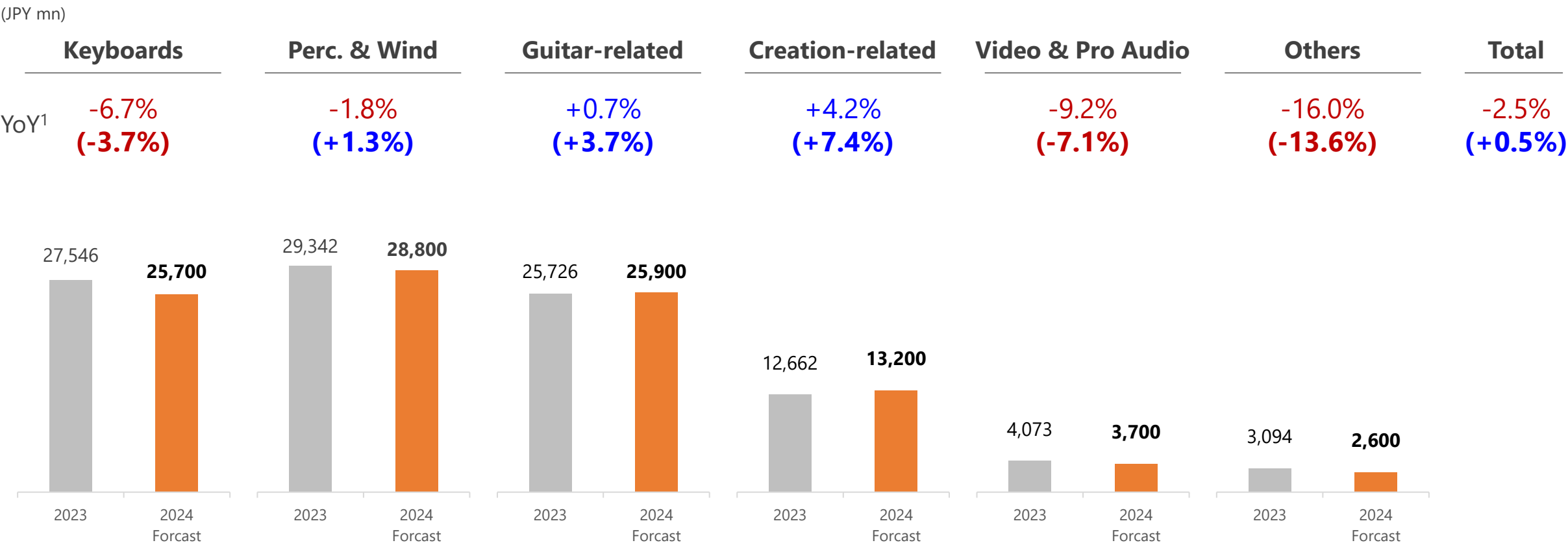
1 Exchange rates for FY12/2023 USD/JPY: 140.57, EUR/JPY: 152.05, EUR/USD: 1.082

2 Exchange rates for FY12/2024 USD/JPY: 137.00, EUR/JPY: 147.00, EUR/USD: 1.073

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Sales Forecast by Category

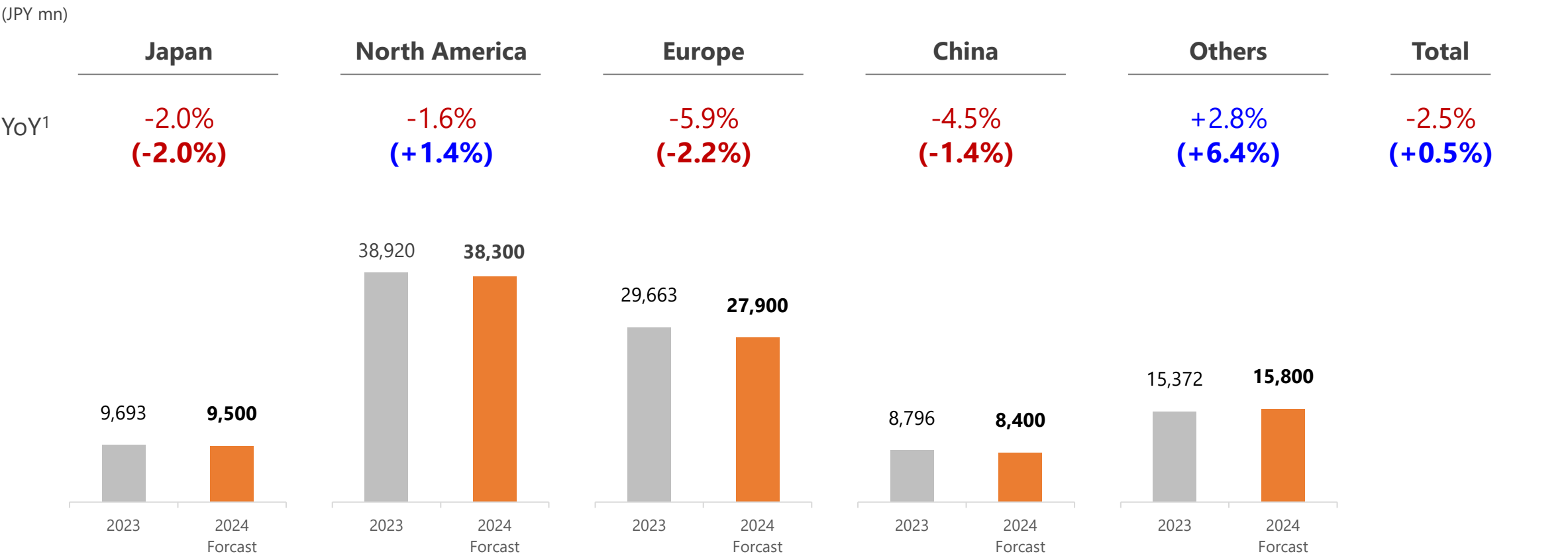
- Keyboards, Video & Pro Audio continue to be affected to some extent by reactionary decline from boosted by stay-at-home demand, and intensified competition
- In Percussion & Wind, electronic wind instruments expected weak, Percussion increase up on DW sales
- Guitar-related, Creation-related expected new product effects



1 Figures in ( ) are comparisons excluding the effect of FX rates

## Sales Forecast by Region

- Major regions expected to be generally flat, excluding the FX effects
- In Others region, India, Indonesia, Latin America, etc. continue to be strong



1 Figures in ( ) are comparisons excluding the effect of FX rates

# Sales and Profit Forecasts for the 1<sup>st</sup> Half and the 2<sup>nd</sup> Half of the Year

(See Supplementary Materials for details of 1H and 2H PL)

- Q1 assumes a decline in volumes as a reaction to aggressive destocking sales in the previous Q4 and to normalize pricing strategies (Sales down by around 10% YoY = **significant drop in profit**)
- **Profit expected to increase** from 2<sup>nd</sup> Half: Impact of new product launches and margin improvements

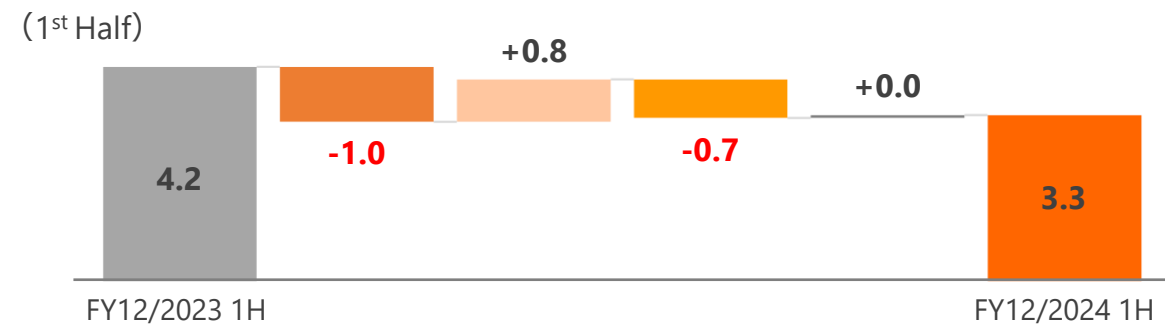
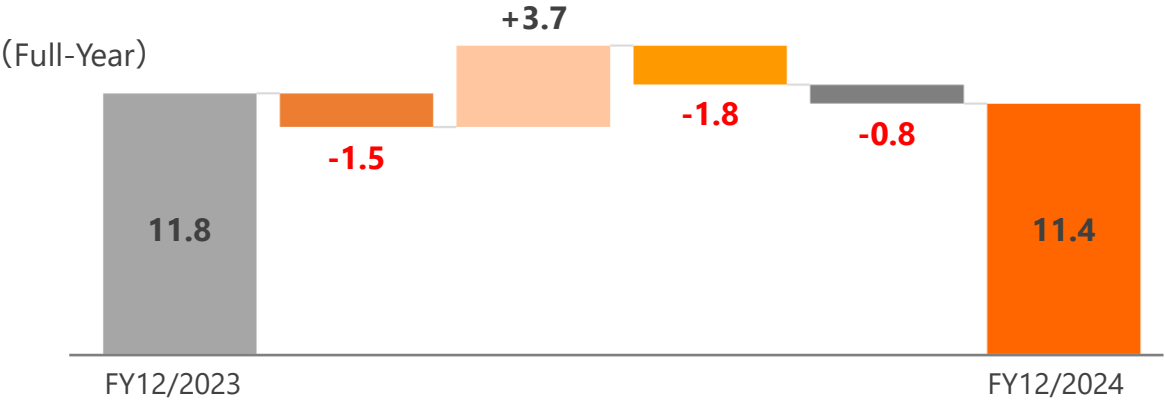
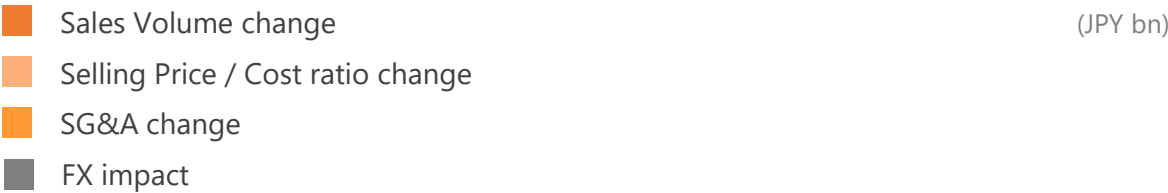
	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Full-Year
(JPY)			
Sales	45.1bn •YoY: -2.2% (-3.0%)	54.8bn •YoY: -2.7% (+3.4%)	99.9bn •YoY: -2.5% (+0.5%)
Operating Profit	3.3bn •YoY: -22.5% (23.9%)	8.1bn •YoY: +6.4% (18.5%)	11.4bn •YoY: -4.0% (+3.3%)

1 Figures in ( ) are comparisons excluding the effect of FX rates



# Consolidated Operating Profit

## Changes (vs Previous year)

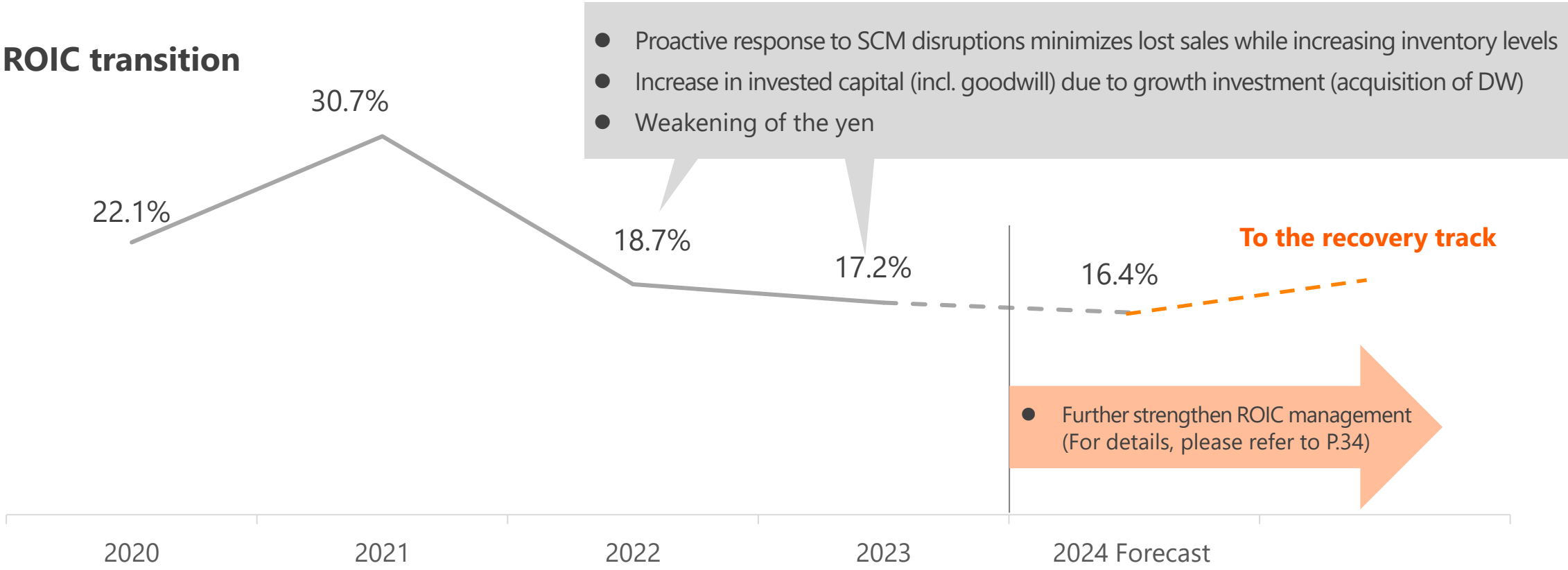


## Factors

- Sales Volume**
  - ✓ Dealer inventory adjustment
  - ✓ Normalization of sales strategy
- Selling Price / Cost ratio**
  - ✓ Improved gross margins due to normalization of sales strategy, new products effects, etc.
  - ✓ Improved transport efficiency
  - ✓ Improved profitability due to PMI progress with DW
- SG&A**
  - ✓ R&D investment (chip development, investment in human resources, etc.)

# Initiatives to Improve the Profitability of Capital

- Although capital efficiency remains high, ROIC declines due to recent risk response and growth investments
- Further strengthening of ROIC management to improve



ROIC = NOPAT (Net Operating Profit After Tax) ÷ Invested Capital (Working Capital+Fixed Assets, Average at beginning and end of period)  
WACC = Approx. 6~8%

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**3 FY12/2024 Forecast**

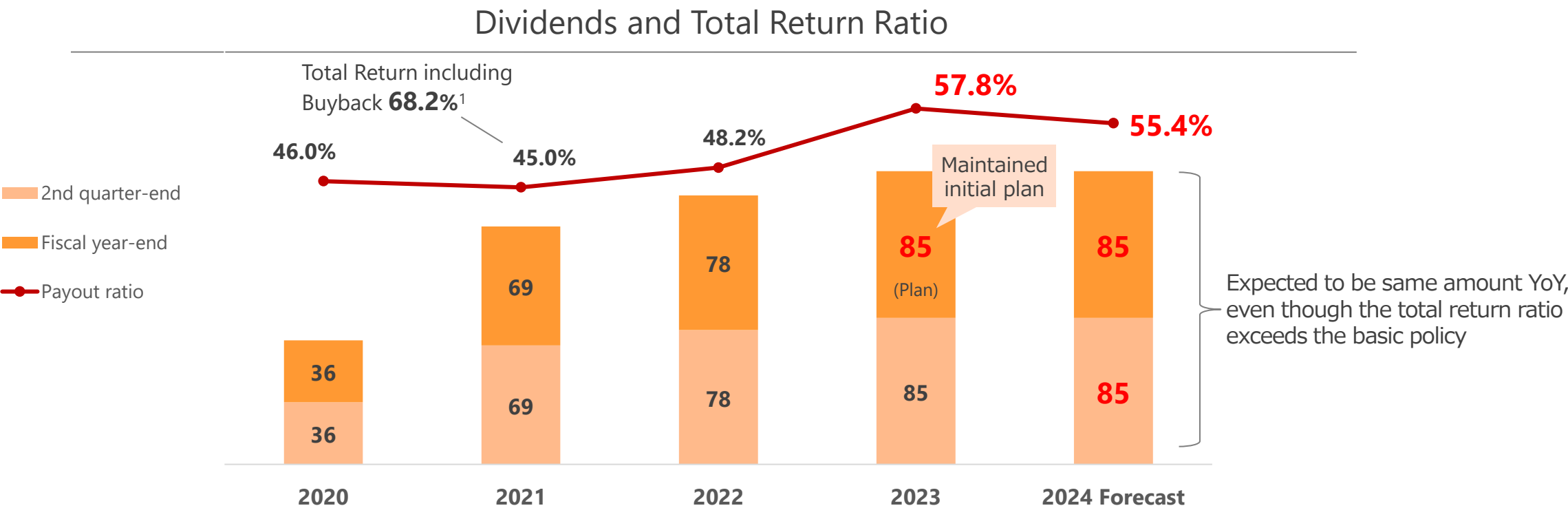
**4 Shareholder return**

**5 Supplemental Information**

# Dividends in 2024 are expected to be the same as in 2023

## <Policy>

The Company’s shareholder return policy is to make sustainable and stable dividend payments while flexibly purchasing treasury shares taking into account various factors, including stock market trends and capital efficiency. Through this, we will, in principle, **aim for a consolidated total return ratio of 50%**, or a consolidated total return ratio of 30% or higher even if it is necessary to secure funds for growth investment.



1 Total return ratio, including annual dividend of 138 yen, assuming full repurchase of treasury stock (JPY2bn) scheduled between February 14, 2022, and June 23, 2022

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Supplemental Information

First Half Forecast

	FY12/2023 First Half <sup>1</sup>		FY12/2024 First Half <sup>2</sup>		
(JPY mn)	Actual	% of Sales	Forecast	% of Sales	YoY
Sales	46,096	100.0%	45,100	100.0%	-2.2%
Gross Profit	19,772	42.9%	19,700	43.7%	-0.4%
SG & A	15,516	33.7%	16,400	36.4%	+5.7%
Operating Profit	4,256	9.2%	3,300	7.3%	-22.5%
Net Income <sup>3</sup>	3,195	6.9%	2,500	5.5%	-21.8%

1 Exchange rates for FY12/2023 1<sup>st</sup> Half USD/JPY: 134.87, EUR/JPY: 145.84, EUR/USD: 1.081

2 Exchange rates for FY12/2024 1<sup>st</sup> Half USD/JPY: 137.00, EUR/JPY: 147.00, EUR/USD: 1.073

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Supplemental Information

Second Half Forecast

	FY12/2023 Second Half <sup>1</sup>		FY12/2024 Second Half <sup>2</sup>		
(JPY mn)	Actual	% of Sales	Forecast	% of Sales	YoY
Sales	56,349	100.0%	54,800	100.0%	-2.7%
Gross Profit	24,159	42.9%	24,900	45.4%	+3.1%
SG & A	16,544	29.4%	16,800	30.7%	+1.5%
Operating Profit	7,615	13.5%	8,100	14.8%	+6.4%
Net Income <sup>3</sup>	4,956	8.8%	6,000	10.9%	+21.1%

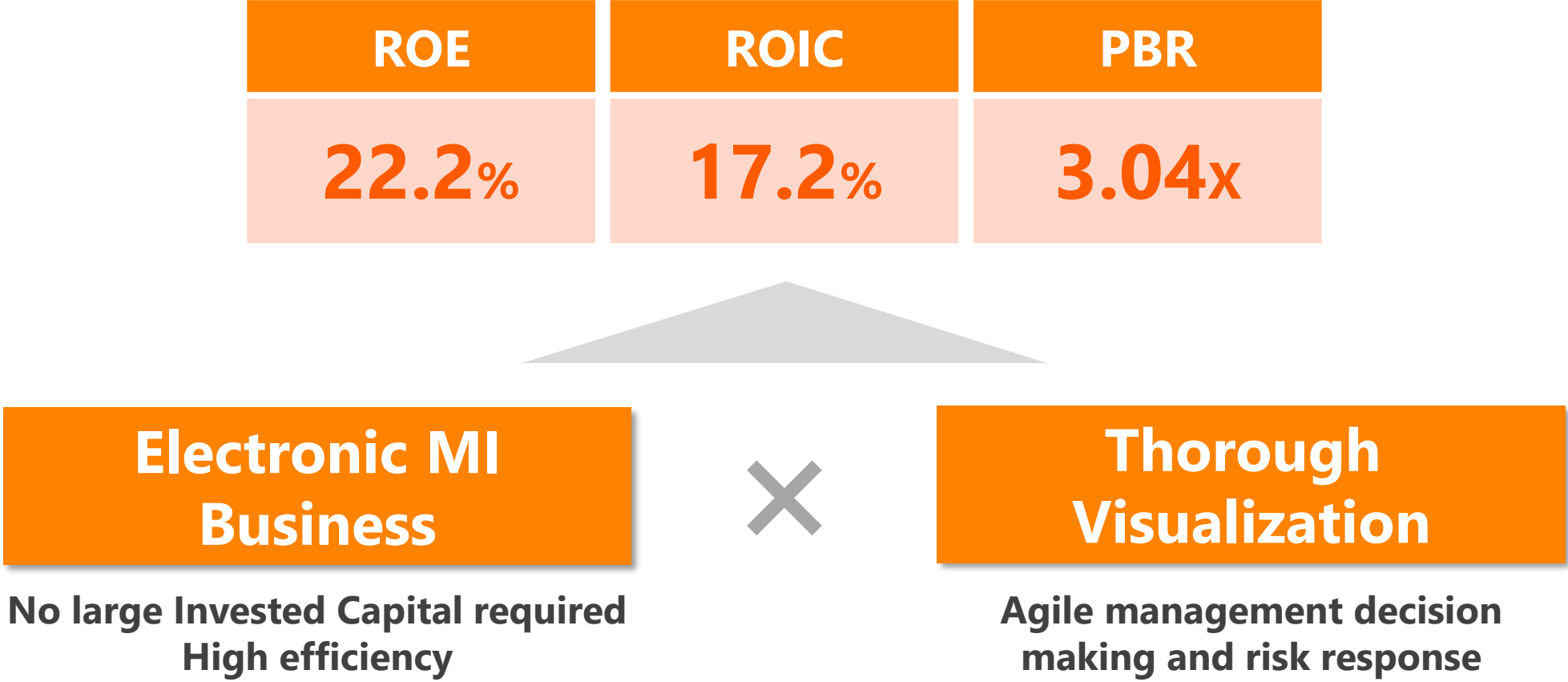
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Actions to Achieve Cost of Capital and Share Price Conscious Management (1) Current Recognition

All indicators are well above the average of TSE Prime listed companies<sup>1</sup> (FY12/2023)



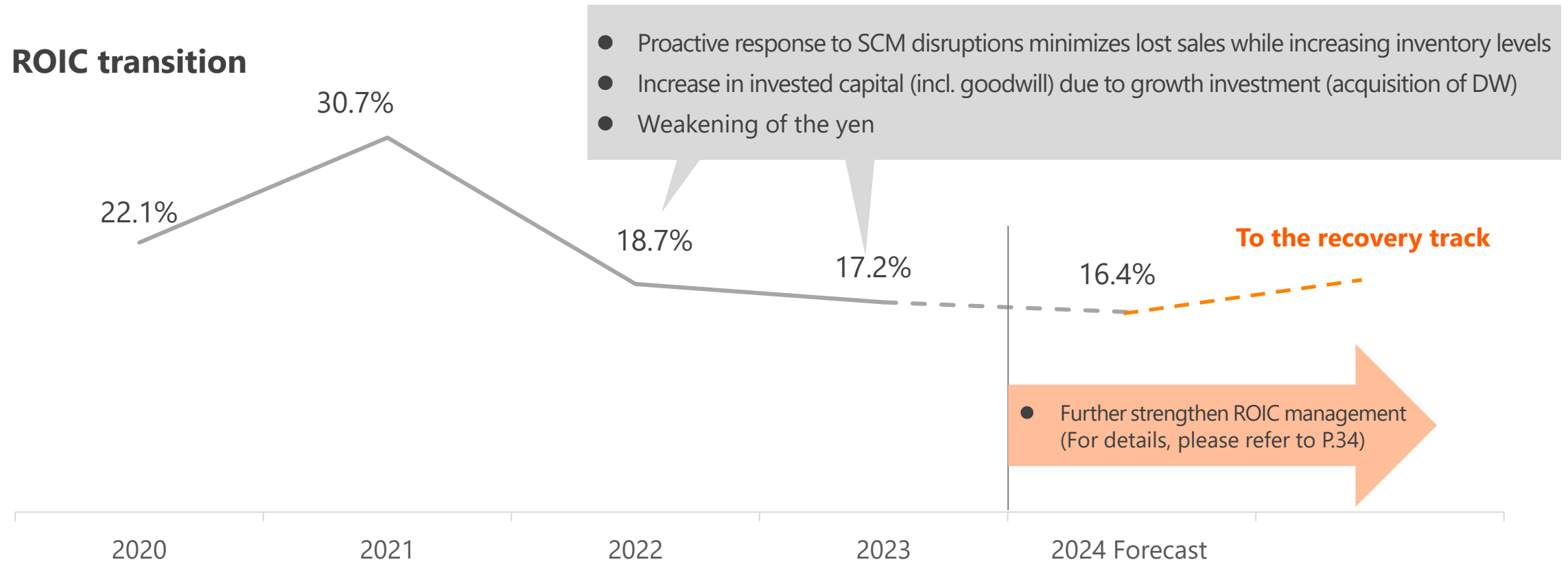
ROE = Net Income ÷ Equity Capital (Average at beginning and end of period)  
ROIC = NOPAT (Net Operating Profit After Tax) ÷ Invested Capital (Working Capital+Fixed Assets, Average at beginning and end of period)  
PBR = Share price at end of period ÷ Book-value Per Share  
<sup>1</sup> According to our research



## Actions to Achieve Cost of Capital and Share Price Conscious Management (2) Issues and initiatives

- Although capital efficiency remains high, ROIC declines due to recent risk response and growth investments
- Further strengthening of ROIC management to improve

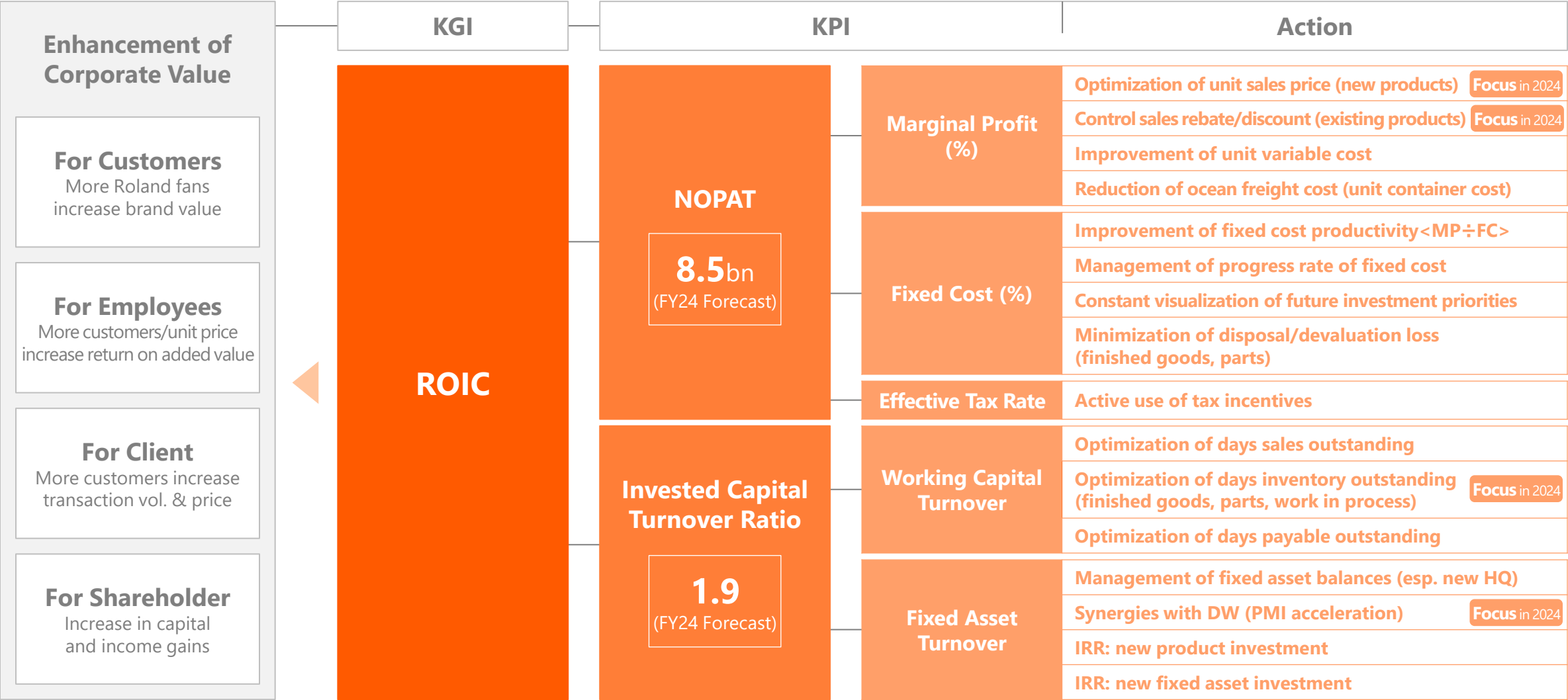
### ROIC transition



ROIC = NOPAT (Net Operating Profit After Tax) ÷ Invested Capital (Working Capital+Fixed Assets, Average at beginning and end of period)  
WACC = Approx. 6~8%

# Actions to Achieve Cost of Capital and Share Price Conscious Management (3) ROIC Tree

- Implement a PDCA monitoring system that clarifies who is responsible for each action



# Sustainability Initiatives (1)

## ■ Importance of Realizing the Sustainability



## ■ Materiality

### Sophistication of supply chain management



### Investment for the growth (in intangible assets)



### Support of the development of musical and video cultures



### Unrelenting reinforcement of the corporate governance



### Maximization of opportunities for HR to display their vitality and capacity



## Sustainability initiatives (2)

### <Major Initiatives in 2023>

#### Sophistication of supply chain management



##### ① Human rights protection in the supply chain

- **Developing human rights and procurement policies** as part of our commitment to respect human rights (disclosure on our website in Japanese, English, Chinese)
- **Conducting human rights due diligence** on our primary suppliers

##### ② Improvement of supply chain efficiency

- Container loading rate: **improved by approx. 5 ppt YoY**



Contribution to revenue through improved transportation efficiency as well as reduced CO2 emissions per unit of sales

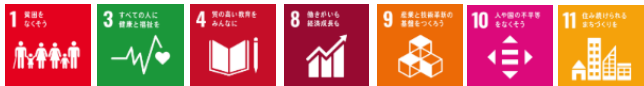
##### ③ Understanding the situation of CO2 emissions and examining reduction measures

- Improve accuracy of CO2 reporting across operations (**Scope 1-3**)
- Started factor analysis to reduce CO2 emissions
- Started fully use of CO2-free electricity at our plants in Malaysia and China, in addition to all Hamamatsu sites

# Sustainability initiatives (3)

## <Major Initiatives in 2023>

### Support of the development of musical and video cultures



### Social contribution in the musical/video and neighboring fields

- Support for schools and ethnic instrumentalists in emerging regions (Achieved MTP target of 10 projects/year)
- Sponsorship of the Gold Concert, an international music competition for people with disabilities
- Sponsorship of the Tokyo Children's Ensemble, a choir with many visually impaired members



Supporting the development of music culture and the realization of a prosperous society for the future

### Unrelenting reinforcement of the corporate governance



### Strengthening of risk management / compliance systems and Board supervision

- Strengthen Group-wide risk identification and monitoring of the status of countermeasures, including in newly consolidated subsidiaries
- Implement compliance training for employees
- Raise awareness of the whistleblowing system



Implementation of each measure is reported to and supervised by the Board of Directors

## Key Consolidated Financials (PL)

(JPY mn)	12/2019	12/2020	12/2021	12/2022	12/2023
Net sales	63,247	64,044	80,032	95,840	102,445
Cost of sales	33,006	33,664	43,895	56,484	58,512
Gross profit	30,240	30,379	36,137	39,356	43,932
Selling, general and administrative expenses	24,971	23,264	25,043	28,605	32,060
Operating profit	5,269	7,115	11,093	10,751	11,871
Other income (expenses)	(1,189)	(1,268)	(854)	(221)	(723)
Profit before income taxes	4,080	5,846	10,239	10,529	11,148
Total income taxes	1,488	1,538	1,650	1,575	2,955
Profit attributable to owners of parent	2,629	4,301	8,586	8,938	8,151
EBITDA	6,811	8,633	12,706	12,826	14,628
D/E ratio	0.6x	0.5x	0.2x	0.8x	0.6x
Equity ratio	41%	43%	54%	43%	49%
Debt / EBITDA	1.6x	1.1x	0.6x	2.1x	1.6x
ROE	14.4%	22.7%	35.6%	28.9%	22.2%
ROIC	16.6%	22.1%	30.7%	18.7%	17.2%

## Key Consolidated Financials (B/S)

(JPY mn)	12/2019	12/2020	12/2021	12/2022	12/2023
Cash and deposits	8,815	10,832	8,781	10,506	12,883
Notes and accounts receivable - trade	8,913	5,930	7,444	12,905	13,805
Inventories	14,215	18,075	25,240	32,322	30,144
Other current assets	1,120	1,220	1,156	2,167	1,826
Total current assets	33,064	36,058	42,623	57,902	58,659
Net property, plant and equipment	5,784	5,761	5,857	7,770	9,961
Goodwill	27	22	20	3,266	3,129
Investments and other assets	4,656	4,254	4,305	8,117	9,218
Total non-current assets	10,468	10,038	10,183	19,154	22,309
Total assets	43,532	46,096	52,807	77,056	80,969
Notes and accounts payable - trade	4,130	5,228	6,391	5,606	6,266
Short-term borrowings	3,118	138	-	17,700	4,300
Current portion of long-term borrowings	1,000	3,935	1,252	1,252	8,526
Other current liabilities	6,458	7,678	8,389	7,954	8,948
Long-term borrowings	7,111	5,762	5,822	7,570	10,056
Other long-term liabilities	3,486	3,203	2,295	3,226	2,756
Total liabilities	25,305	25,945	24,150	43,309	40,854
Total net assets	18,227	20,151	28,656	33,747	40,114
Total liabilities and net assets	43,532	46,096	52,807	77,056	80,969

## Key Consolidated Financials (CF)

(JPY mn)	12/2019	12/2020	12/2021	12/2022	12/2023
Profit before income taxes	4,080	5,846	10,239	10,529	11,148
Depreciation	1,537	1,568	1,608	1,981	2,397
Amortization of goodwill	4	4	4	94	358
Decrease (increase) in trade receivables	(846)	2,172	(347)	(4,301)	(46)
Decrease (increase) in inventories	(1,239)	(4,288)	(5,427)	(1,105)	4,677
Increase (decrease) in trade payables	248	1,478	(106)	(4,143)	(849)
Income taxes paid	(1,044)	(1,816)	(2,516)	(2,367)	(2,815)
Other	2,252	1,936	1,475	106	557
Cash flows from operating activities	4,992	6,902	4,929	793	15,428
Purchase of property, plant and equipment	(1,036)	(1,012)	(1,208)	(1,272)	(3,084)
Proceeds from sales of property, plant and equipment	45	149	557	49	18
Purchase of intangible assets	(576)	(152)	(98)	(108)	(402)
Other	(20)	113	(54)	(10,020)	(109)
Cash flows from investing activities	(1,588)	(901)	(803)	(11,351)	(3,576)
FCF <sup>1</sup>	3,403	6,000	4,125	(10,558)	11,852
Net increase (decrease) in short-term borrowings	1,057	(2,949)	(143)	17,686	(13,404)
Proceeds from long-term borrowings	-	6,200	1,500	3,000	12,100
Repayments of long-term borrowings	(1,012)	(4,614)	(4,123)	(1,252)	(2,339)
Dividends paid	(1,902)	(2,275)	(2,922)	(4,082)	(4,506)
Other	(1,288)	(30)	(381)	(2,472)	(517)
Cash flows from financing activities	(3,146)	(3,669)	(6,071)	12,879	(8,668)

<sup>1</sup> FCF is the sum of cash from operating activities and cash from investing activities



Key Consolidated Financials (Sales by Product/Region)

Product (JPY mn)	12/2019	12/2020	12/2021	12/2022	12/2023
Keyboards	17,104	17,842	24,792	29,869	27,546
Percussion & Wind Instruments	14,205	14,620	19,053	23,046	29,342
Guitar-related Products	16,744	16,712	19,093	23,540	25,726
Creation-related Products & Services	8,267	8,010	10,122	12,206	12,662
Video & Pro Audio	4,289	4,597	4,282	4,357	4,073
Other	2,634	2,261	2,689	2,819	3,094
Total	63,247	64,044	80,032	95,840	102,445

Region (JPY mn)	12/2019	12/2020	12/2021	12/2022	12/2023
Japan	9,237	9,066	9,666	9,736	9,693
North America	18,914	19,963	25,959	34,904	38,920
Europe	19,518	21,027	24,958	26,439	29,663
China	7,194	6,304	8,673	9,641	8,796
Other	8,381	7,682	10,775	15,118	15,372
Total	63,247	64,044	80,032	95,840	102,445

This material contains information that constitutes “forward-looking statements” of Roland Corporation. Statements other than those related to past or present facts are all statements that constitute forward-looking statements. Such forward-looking statements are based on our assumptions and decisions made in accordance with information currently available, and they are not intended to give any assurances that they will turn out to be correct. Known or unknown risks, uncertainties and other factors underlie the forward-looking statements, and the forward-looking statements may be materially different from the actual results. Matters which may affect the results include the economic environment surrounding our business, demand trends, exchange rate fluctuations and other related circumstances.