

Roland Corporation

Financial results briefing for the first quarter of the fiscal year ending December 31, 2024

Date and time: May 9, 2024 13:00–13:25

Speaker : Yuichi Hakamata, CFO and Executive Officer

Q1. Please tell us about the status of dealer inventory adjustments.

Although there has been a steady improvement from the situation at the end of the previous quarter, we recognize that the overall situation is still somewhat high. By product category, keyboard instruments, and by region, Japan, etc., are still at a high level.

Q2. Please tell us about the situation in emerging markets.

Sell-throughs have been strong in Brazil, Mexico, Indonesia, India, and other countries.

Q3. In the consolidated operating profit forecast for 2024 announced in February, the full-year impact of Sales Volume was -1.5 billion yen and the impact of Selling Price / Cost ratio change was +3.7 billion yen. Have there been any changes to this forecast?

While changes in Sales Volume are generally in line with expectations, the impact of Selling Price / Cost ratio change is a little slower than expected, despite progress in the normalization of sales strategies (selling price review). We are responding to the situation by controlling costs in case the +3.7 billion yen in selling price / cost ratio change cannot be realized.

Q4. Please tell us about the background on the uncertainty of demand in the North American market in 2Q and beyond.

We believe that there is a sense of uncertainty due to a slightly weaker trend compared to sell-through in the previous fiscal year and the two previous fiscal years, but we intend to cover this by launching new products, etc.

Q5. Please tell us about the prospects for the normalization of sales strategy.

We believe that the normalization of sales strategies will progress further as sell-in recovers in line with the progress of dealers' inventory adjustments, and we expect some degree of normalization by Q2.

Q6. Please tell us about the post-launch status of "GO:KEYS 5" and "GO:KEYS 3", which are listed among the major new products announced in Q2 (page 11 of presentation), and their impact on keyboard instruments as a whole.

We believe that sales contribution will be in full swing from Q2 onward. Although we do not expect much impact on keyboard instruments as a whole, this product is very important in the medium to long term for cultivating the entry-level market and expanding market share in emerging countries.

(*) This material summarizes key questions asked by the participants in the meeting. Some communications have been revised to clarify the meaning of our responses further.

Disclaimer

This material contains statements based on the forecast at present made by Roland Corporation. These future statements inherently contain such factors as known or unknown risks and uncertainties, and the statements could be different from our actual business results.