

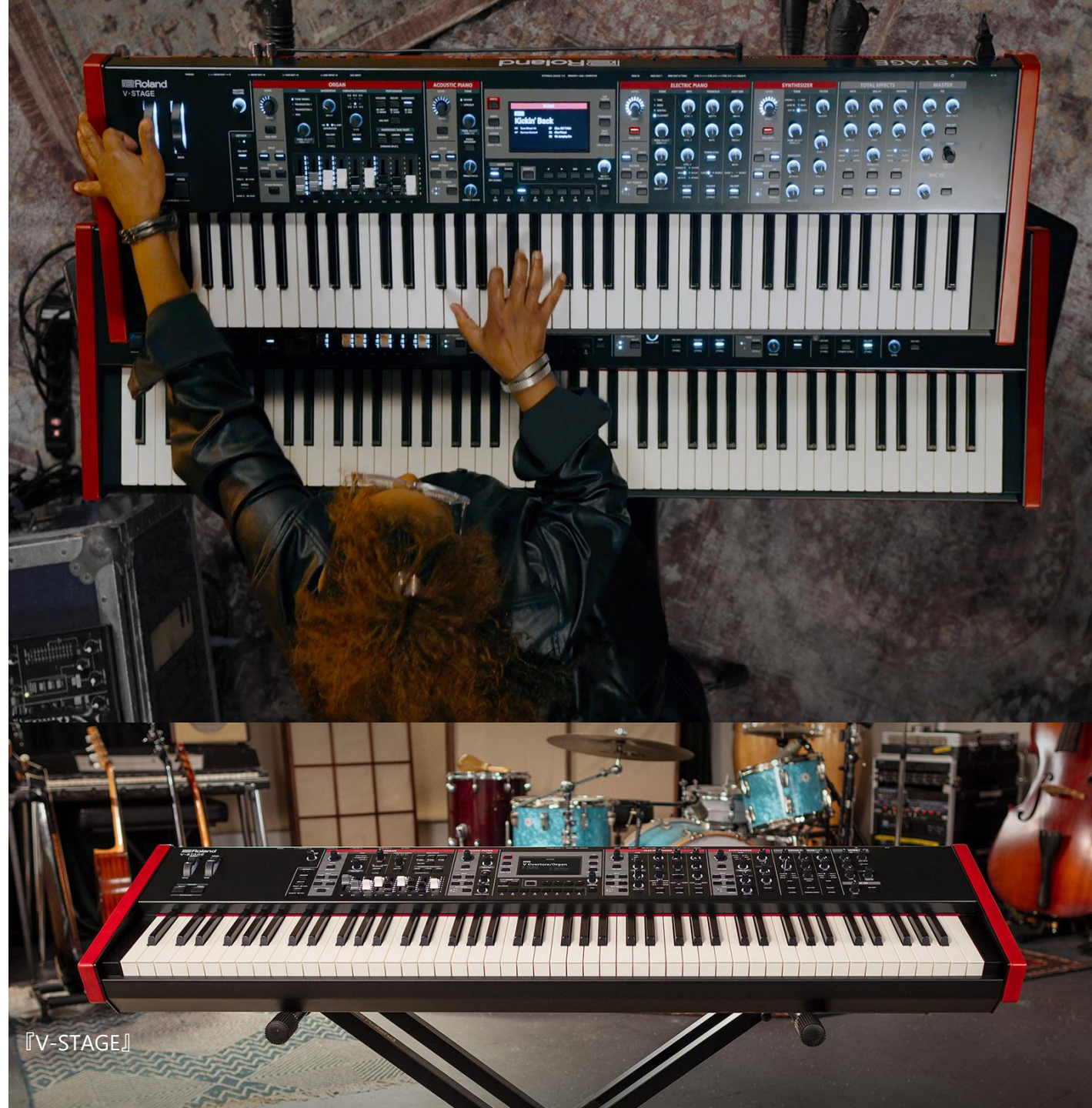


Financial Results Highlights

FY12/2025 Q1

May 13, 2025

Roland Corporation



Executive Summary

- Q1 results **increased YoY in both sales and profit, excluding FX. Sales was in line with the plan.**
- However, U.S. tariff policies that exceeded our expectations are **causing confusion in the musical instrument industry.**
- We expect to **be affected to some extent** going forward.
- We are **relatively low risk** within the industry. **We see an opportunity to expand our market share.**
- Currently **planning and implementing “offense” and “defensive” measures**
- Due to several uncertainties, the earnings forecast is revised to a range format, but the dividend forecast is not revised at this time.
- We will monitor the situation closely and revise the forecast again if necessary.

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Highlights

Sales

22.5_{bn}

(YoY : **+2.1%**)

- YoY **+2.1%**
- Though some good and bad depending on region and category, the trend is **in line with internal plans**.

Operating Profit

1.4_{bn}

(YoY : **-7.8%**)

- YoY -7.8% (without FX, YoY **+8.1%**)
- **Increased without FX** despite increased SG&A expenses

Net Income¹

1.8_{bn}

(YoY : **+87.1%**)

- Temporary increase in income due to timing differences in tax expenses (no impact on full-year results)

¹ Net income refers to "net income attributable to owners of parent"

Consolidated Financial Forecast

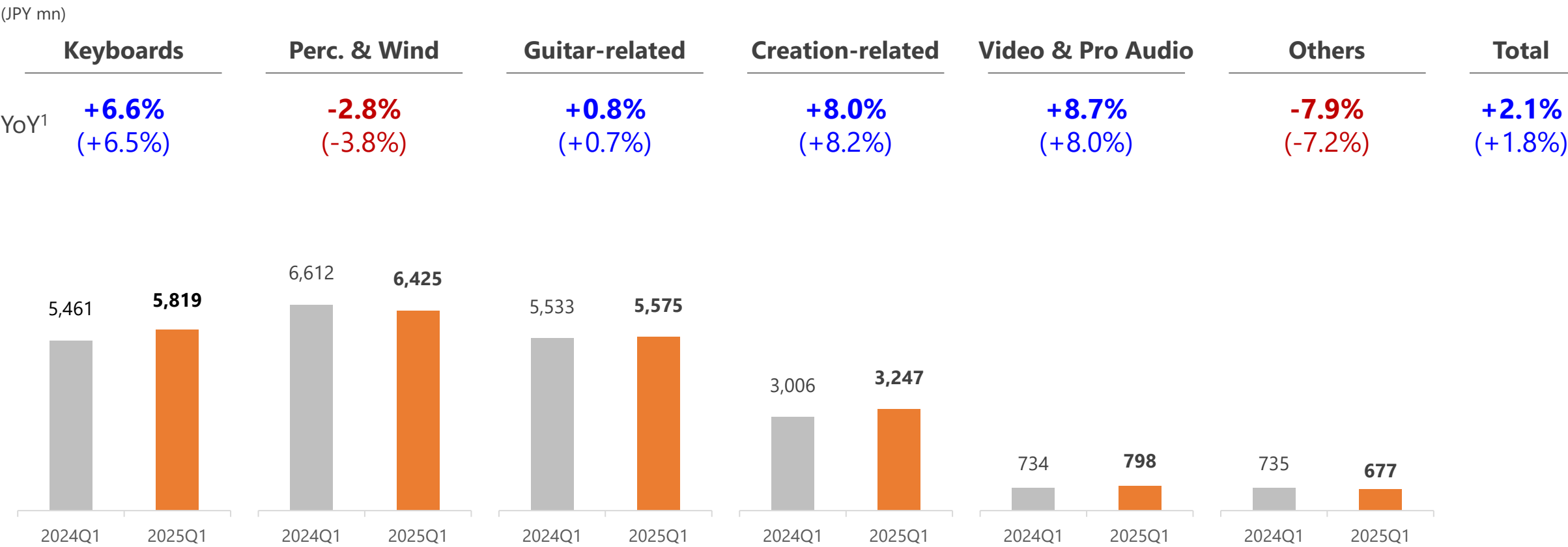
- GP margin improved by 1.0pt (43.5%) YoY, excluding FX impact.
- OP margin improved by 0.4pt (7.5%) YoY, excluding FX impact

	FY12/2024 Q1 ¹		FY12/2025 Q1 ²		
(JPY mn)	Actual	% of Sales	Forecast	% of Sales	YoY
Sales	22,083	100.0%	22,543	100.0%	+2.1%
Gross Profit	9,392	42.5%	9,559	42.4% wo/Fx 43.5%	+1.8%
SG & A	7,827	35.4%	8,117	36.0%	+3.7%
Operating Profit	1,564	7.1%	1,442	6.4% wo/Fx 7.5%	-7.8% wo/Fx +8.1%
Net Income ³	980	4.4%	1,835	8.1%	+87.1%
EBITDA	2,269	10.3%	2,198	9.8%	-3.1%

1 Exchange rates for FY12/2024 Q1 USD/JPY: 148.61, EUR/JPY: 161.36, EUR/USD: 1.086
2 Exchange rates for FY12/2025 Q1 USD/JPY: 152.62, EUR/JPY: 160.56, EUR/USD: 1.052
3 Net income refers to "net income attributable to owners of parent"

Sales by Category

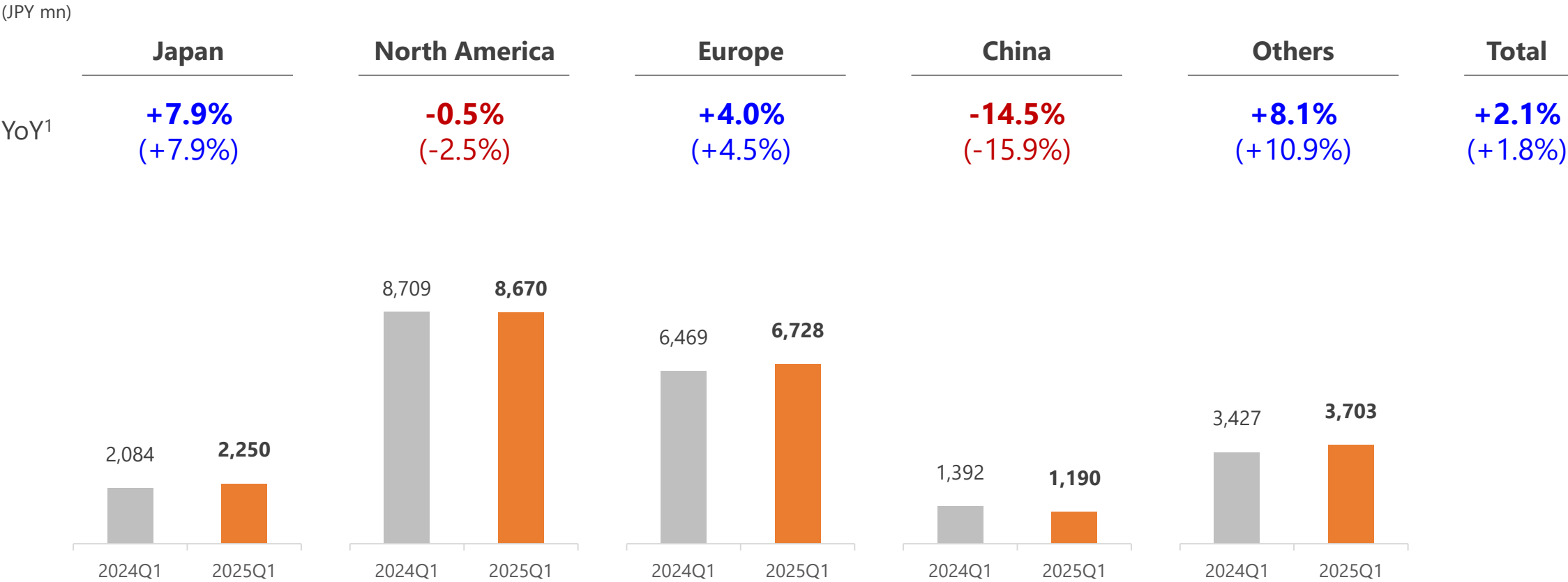
- YoY sales increase in all major categories except Perc. & Wind
- **vs. Our Expectation: Keyboards “positive”, Perc. & Wind “slightly weak”, Guitar-related “slightly weak”, Creation-related “positive”, and Video & Pro Audio “positive”.**
- Perc. & Wind and Guitar-related was affected by the stock-out of some products, which is expected to be filled from Q2 to Q3.



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

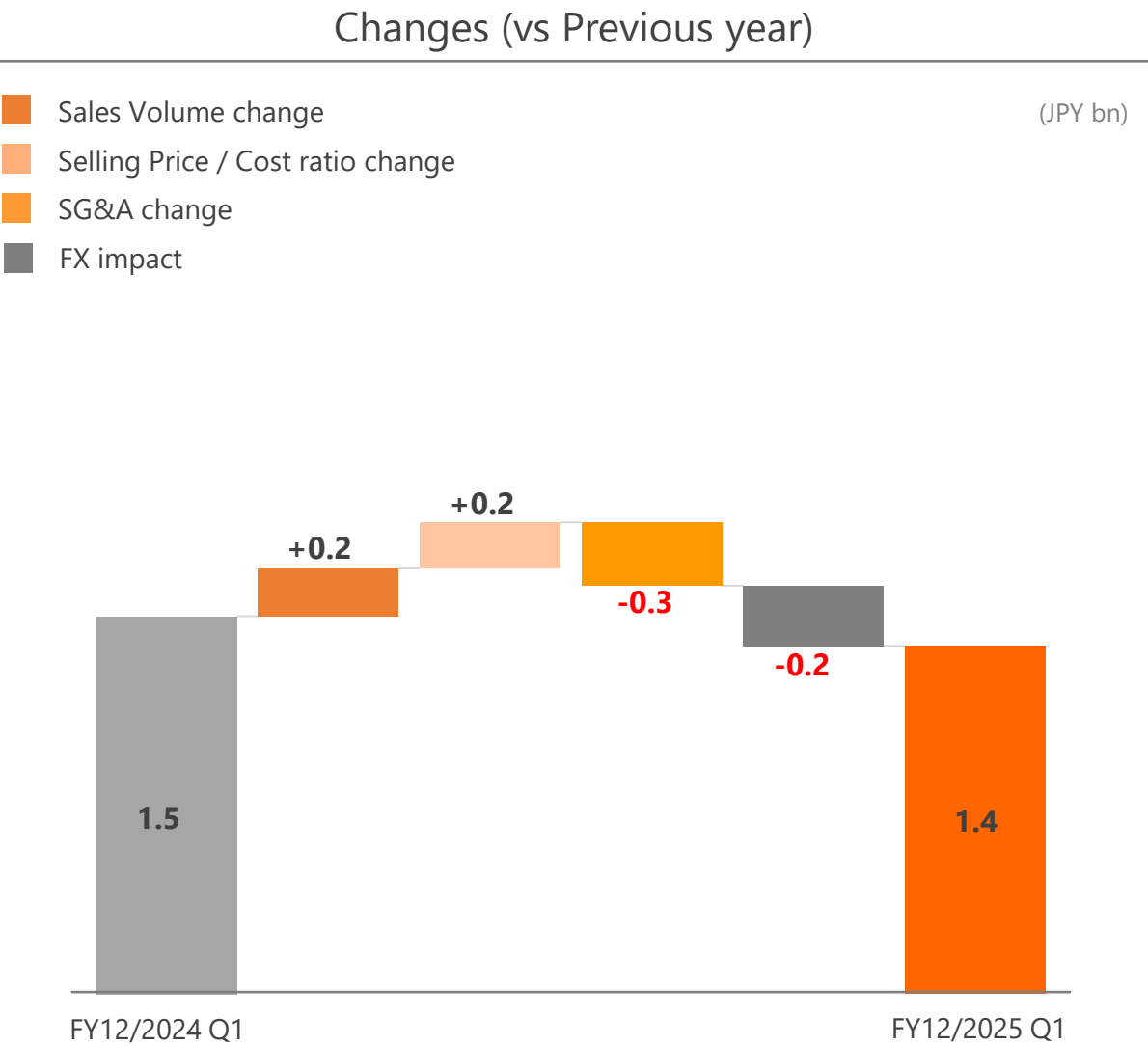
Sales by Region

- China continued to struggle but appears to have bottomed out. “Others” continued to grow, offsetting the negative in China.
- **vs. Our Expectation: North America “positive”, Europe “slightly weak”, Japan “slightly weak”, China “positive”, and Others “positive”**
- In Europe, some dealers went bankrupt due to increased competition among them. The impact is expected to remain for some time.



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

Consolidated Operating Profit



- Factors (vs Previous year)
- **Sales Volume**
 - ✓ Dealer recovery from inventory adjustment (+)
 - ✓ Impact of stock-outs for some products (−)
 - **Selling Price / Cost ratio**
 - ✓ Price optimization effect (+)
 - ✓ Temporal increase in marine shipping costs (−)
 - **SG&A**
 - ✓ Increase in personnel cost, sales promotion cost, amortization expense, etc.

Topics: Major new products and services announced in the first quarter

Creation-related equipment & services

Synthesizer

- **V-STAGE, a new series of premium stage keyboards designed** for high-class keyboard players
- Four independent sound engines with state-of-the-art modeling/sound technology
- Roland Cloud support for tone expansion



『V-STAGE 88』
『V-STAGE 76』



『V-STAGE』 Performance Image

Roland Cloud

- **Software version of the JC-120, the famous guitar amp** that has been loved on stages and in studios around the world since its release in 1975.
- Stereo mode, detailed microphone type and position settings, and other features to match the current DAW production environment



	2024Q4	2025Q1
Roland Account	3.1M	3.2M
R. Cloud User ¹	1.7M	1.8M
Paid User ²	149K	160K
Subscriber	31.7K	32.9K

1 Cumulative number of users of the Roland Cloud service
2 Number of subscribers registered at the end of each financial year + number of single purchases during each financial year

Topics: Major new products and services announced in the first quarter

Guitar-related products

V-Guitar Processor

- Our proprietary modeling technology allows the processor to enjoy playing from realistic guitar sounds to new sounds that are impossible with real guitars
- By using a guitar equipped with dedicated pickups, various stringed instruments (sitar, banjo, etc.) can be played without latency



『VG-800』



Image of use

Guitar Amp.

- Load box for ideal sound recording and attenuation on stage, while retaining the expressive power of tube amplifiers



『WAZA Tube Amp Expander Core』



Image of use

Keyboards

Portable Keyboard

- The Roland Piano App offers lesson functions that allow you to enjoy learning music with a game-like feel, as well as a built-in song display function
- Over 500 songs in the Roland Cloud can be used



『GO:PIANO88』(GO-88PX)

Others

Full-scale exhibit at the NAMM Show, the world's largest musical instrument show, **for the first time in five years**



Roland CEO Minowa with NAMM Association CEO John Mlynczak at press conference



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Our Perceptions of U.S. Tariff Policy

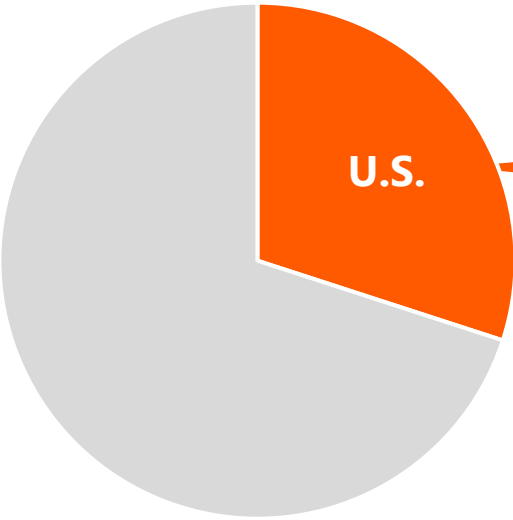
- The US is the world's largest musical instrument market and a major importer, so the impact to the market will be big
- The higher the percentage of production in China, where tariff rates are extremely high, the greater the impact on manufacturers
- Although we are not exempt from the impact, our production is mainly in Malaysia, so the risk is relatively lower
- We see an opportunity to capture market share from manufacturers based in China and expand our fan base
- Tariff impacts can be absorbed if various measures are taken
- At this point, however, there is an uncertainty including the global economy outlook, and it will take some time before we can see what the future holds

Scope of Direct Impact of U.S. Tariff Policies on Roland

- While our US sales is high at ~30% of total sales, the sales ratio of Chinese-produced products in the US, which are most affected by tariffs, is not significant at ~14%. (30% × 14% = ~4% of Roland’s total sales)

Production locations and tariffs for products sold in the US (as of 5/11, 2025)

US sales of total sales:
~30%¹



Production	US Sales ratio ¹	Announced Additional tariff	Effectuated Additional tariff	Main Imported Items
Malaysia	62%	24%	10%	Perc. & Wind, Keyboards, Guitar-related, Creation-related
China	14%	145%	145%	Perc. & Wind, Keyboards, Creation-related
Taiwan	8%	32%	10%	Perc. & Wind, Guitar-related
Japan	4%	24%	10%	Video & Pro Audio, Guitar-related
Vietnam	4%	46%	10%	Keyboards, Guitar-related
Thailand	3%	36%	10%	Guitar-related, Perc. & Wind
Indonesia	2%	32%	10%	Keyboards
U.S.	2%	—	—	Perc. & Wind

1 Based on initial sales plan after April of this fiscal year

Our Response to the U.S. Tariff Policy

- While closely monitoring the situation, we implement **defense and attack measures** to minimize the impact
- Measures will be flexibly reviewed as the situation progresses
- In the medium to long term, we consider electronic instrument production at the US factory (DW)

April	May to Oct.	Nov. to Dec.
Countermeasures	Implementation of measures and adjustments according to the situation	Minimize impact during demand season
	<div><div></div><div>Initiatives to increase market share</div></div>	
	<div><div></div><div>Cost Control</div></div>	
	<div><div></div><div>Switch from production in China to production in Malaysia, etc.</div></div>	
	<div><div></div><div>Implement various measures, including a price increase in the U.S.</div></div>	
<div><div></div><div>Temporary suspension of exports from China to the U.S.</div></div>		

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Revision of Earnings Forecast

- Assumptions
1. Tariffs on China will remain at 145% and 10% for the rest of the world for the 2025.

2. Does not include the possibility of a global recession
- Aim to achieve the initial forecast set before the imposition of the reciprocal tariff

Considering uncertainties, we revise full-year forecasts from “Base” to “Target (initial forecast)” range format

		Risk Scenario	Target
Outlook	Sales	Y 96.9bn	~ Y100.9bn
	OP / Net Profit	Y 8.1bn / Y 5.7bn	~ Y10.1bn / Y7.2bn

(Amounts are the impact on OP)

tariff impact	Cost increase due to tariffs	-1.4bn	-1.4bn
	Suspension China exports to the US ¹	-2.0bn	-2.0bn
Measures and effects	US Price increase ¹	+0.6bn	+0.9bn
	Non-US measures ²	—	+0.6bn
	Production shift from China ³	+0.2bn	+0.5bn
	Cost control ³	+0.4bn	+0.9bn
	Realization of relative advantage ³	+0.2bn	+0.5bn

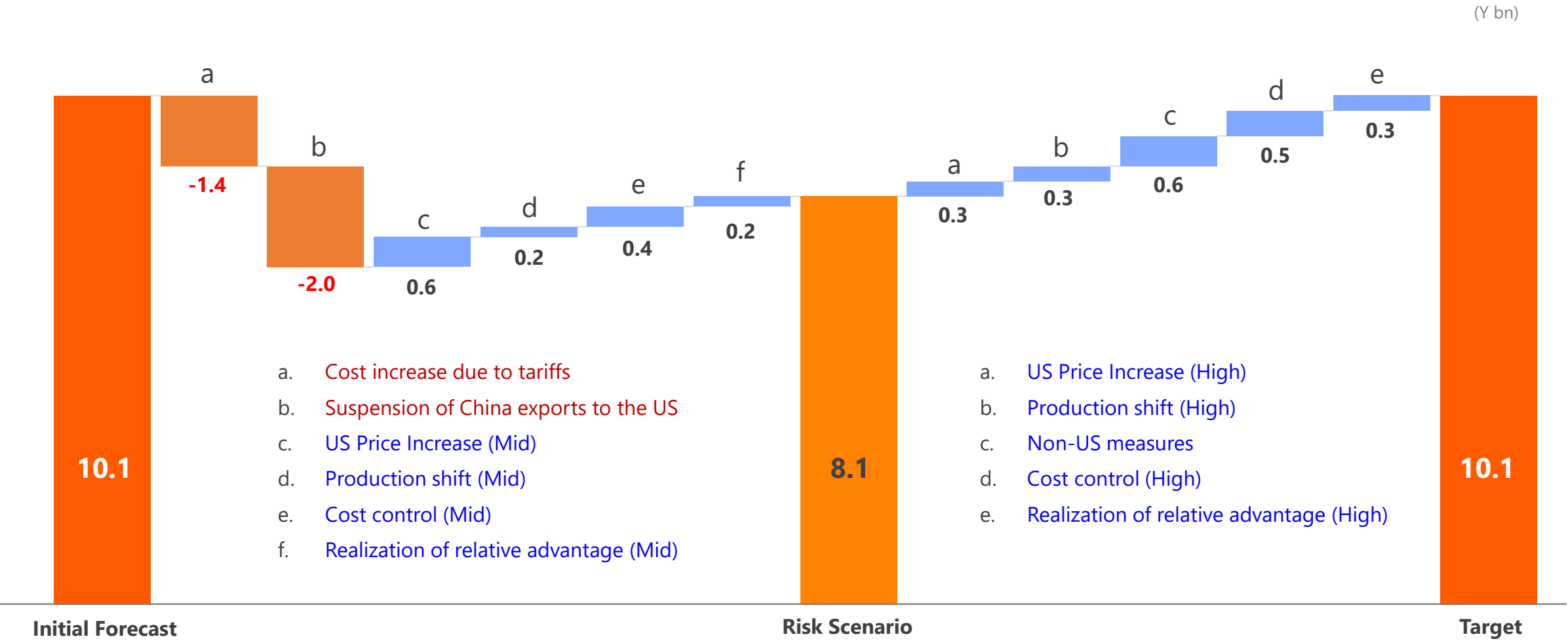
Net increase considering a certain degree of decrease in quantity

1, Implemented 2, Under consideration 3, In preparation

Revision of Earnings Forecast

Factors affecting OP

(Y bn)



Revision of Earnings Forecast

- We withdraw the forecast for the first half of the fiscal year
- The forecast may be revised again depending on the progress of the situation

(JPY bn)					
	Previous Forecast ¹		Revised Forecast ¹		vs Previous Forecast
	1st Half	Full-Year	1st Half	Full-Year	Full-Year
Sales	46.4	100.9	—	96.9 ~100.9	-4.0% ~0%
Operating Profit	3.8	10.1	—	8.1 ~10.1	-19.8% ~0%
Net Income ²	2.6	7.2	—	5.7 ~7.2	-20.8% ~0%

1 Exchange rates for FY12/2025 USD/JPY: 149.00, EUR/JPY: 158.00, EUR/USD: 1.060

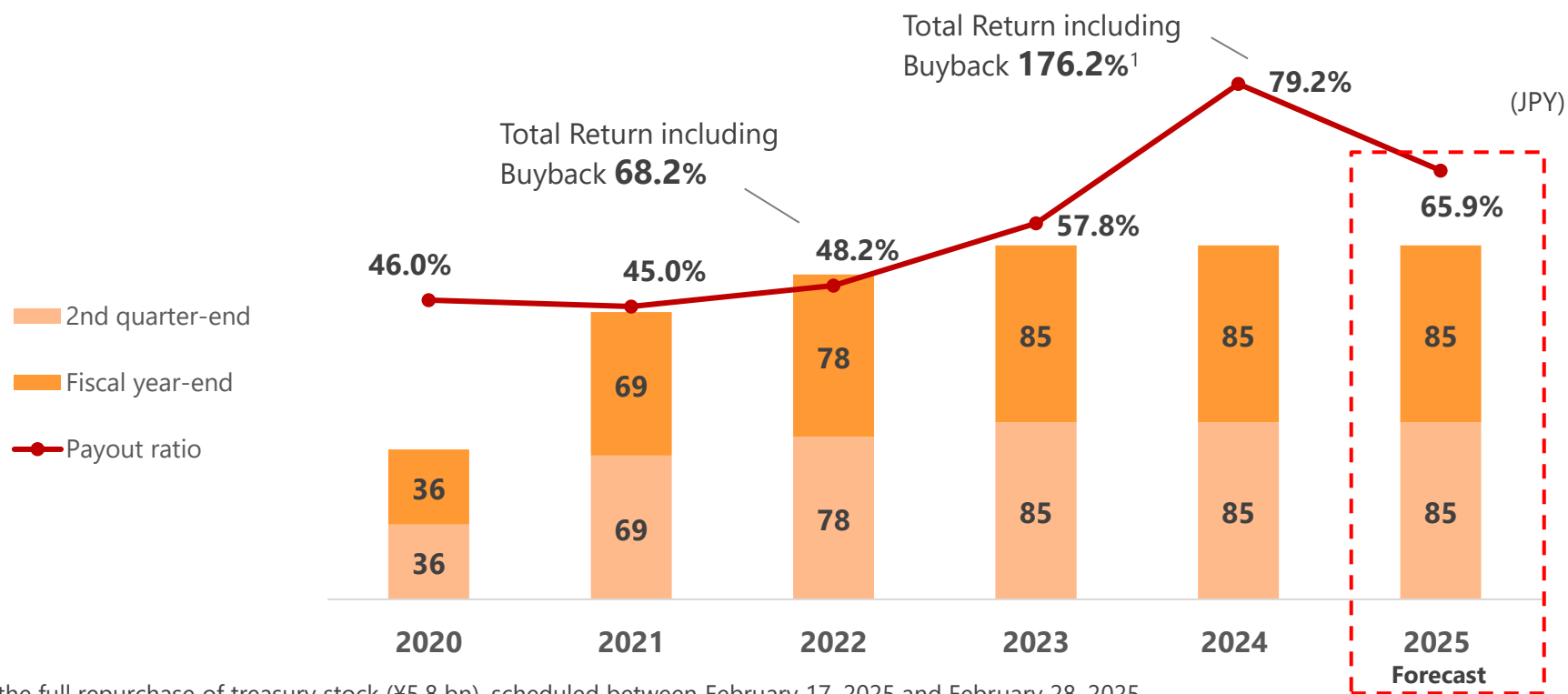
2 Net income refers to "net income attributable to owners of parent"

Dividend forecast

- Due to the high degree of uncertainty, **we do not revise our dividend forecast at this time**
- We revise our dividend forecast if the risk scenarios become more likely

<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 the full repurchase of treasury stock (¥5.8 bn), scheduled between February 17, 2025 and February 28, 2025.

Our views on exchange rate fluctuations

Point : The recent trend of the USD weakening compared to the forecast is not expected to have a negative impact on operating profit

- Operating profit is most sensitive to EUR/USD rates, and the recent **strong EUR / weak USD is favorable**

	Plan	Trend		Sales impact	OP impact
USD/JPY ¹	JPY149	Weak USD	➔	Negative	Negative
EUR/JPY ¹	JPY158	Weak JPY		Positive	Positive
EUR/USD ²	1.060	Weak USD		—	Positive

FYR: sensitivity ³	Sales impact	OP impact
USD/JPY ¹	JPY0.3bn	JPY130mn
EUR/JPY ¹	JPY0.2bn	JPY30mn
EUR/USD ²	—	JPY0.2bn

1. Annual impact (per yen)
2. Annual impact (per cent)
3. **Actual amounts may differ from assumptions due to the impact of various currency pairs and changes in the sales composition ratio, etc.**

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Key Consolidated Financials

(JPY mn)	FY2024 Q1	FY2025 Q1	(JPY mn)	As of Dec. 31, 2024	As of Mar. 31, 2025
Net sales	22,083	22,543	Cash and deposits	14,478	17,116
Gross profit	9,392	9,559	Notes and accounts receivable - trade	12,538	11,272
Selling, general and administrative expenses	7,827	8,117	Inventories	29,147	27,166
Operating profit	1,564	1,442	Other current assets	1,827	1,343
Profit before income taxes	1,122	1,343	Total current assets	57,993	56,899
Profit attributable to owners of parent	1,262	1,319	Net property, plant and equipment	9,566	9,893
EBITDA	980	1,835	Goodwill	3,087	2,822
D/E ratio	2,269	2,198	Investments and other assets	10,939	10,647
Equity ratio	0.5x	0.7x	Total non-current assets	23,592	23,364
Debt / EBITDA ¹	51.0%	47.3%	Total assets	81,586	80,264
ROE ¹	1.5x	2.1x	Notes and accounts payable - trade	4,730	5,443
ROIC ¹	20.5%	16.1%	Short-term borrowings	5,300	6,200
R&D Expenses	16.8%	15.4%	Current portion of long-term borrowings	2,358	2,575
Capital Expenditures ²	1,263	1,284	Other current liabilities	8,696	7,395
Depreciation Expenses	333	989	Long-term borrowings	10,832	17,917
Free Cash Flow ³	704	755	Other long-term liabilities	2,985	2,536
Net sales	3,212	2,935	Total liabilities	34,903	42,068
			Total net assets	46,682	38,196
			Total liabilities and net assets	81,586	80,264

1 Debt / EBITDA ,ROE and ROIC are calculated on an annually (recent 12 months) adjusted basis
2 The amounts presented in capital expenditures is for property, plant and equipment.
3 Free Cash Flow is the sum of cash from operating activities and cash from investing activities

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.