

Quarterly Securities Report

For the First Quarter of the 50th Fiscal Year
(January 1, 2021 through March 31, 2021)

Roland Corporation

1. This is an English translation of the Quarterly Securities Report (*Shihanki Hokokusho*), which was produced based on Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan and was filed via the Electronic Disclosure for Investors' NETwork (EDINET) system as set forth in Article 27-30-2 of the same act. The translation includes a table of contents and pagination that are not included in the electronic filing.
2. Appended to the back of this document are English translations of the independent auditors' Quarterly Review Report attached to the Quarterly Securities Report when it was filed using the aforementioned method, and the Confirmation Note that was filed at the same time as the Quarterly Securities Report.
3. This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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Independent Auditor's Quarterly Review Report

Confirmation Note

Cover

Document title	Quarterly Securities Report
Clause of stipulation	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
Place of filing	Director, Kanto Local Finance Bureau
Filing date	May 12, 2021
Quarterly accounting period	The first quarter of the 50th fiscal year (January 1, 2021 through March 31, 2021)
Company name	Roland Kabushiki Kaisha
Company name in English	Roland Corporation
Title and name of representative	Jun-ichi Miki, CEO and Representative Director
Address of registered headquarters	2036-1 Nakagawa, Hosoe-cho, Kita-ku, Hamamatsu-shi, Shizuoka
Telephone number	+81-53-523-0230
Name of contact person	Shunsuke Sugiura, CFO and Senior Executive Officer
Nearest place of contact	2036-1 Nakagawa, Hosoe-cho, Kita-ku, Hamamatsu-shi, Shizuoka
Telephone number	+81-53-523-0230
Name of contact person	Shunsuke Sugiura, CFO and Senior Executive Officer
Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo)

Section 1 Company Information

Item 1. Overview of Company

1. Key Financial Data

(1) Consolidated financial data

Fiscal year		49th First Quarter	50th First Quarter	49th
Accounting period		(January 1, 2020 through March 31, 2020)	(January 1, 2021 through March 31, 2021)	(January 1, 2020 through December 31, 2020)
Net sales	(million yen)	14,282	22,355	64,044
Ordinary profit	(million yen)	869	4,369	6,277
Profit attributable to owners of parent	(million yen)	654	3,423	4,301
Comprehensive income	(million yen)	(431)	4,564	3,934
Net assets	(million yen)	16,509	23,827	20,151
Total assets	(million yen)	40,214	50,130	46,096
Basic earnings per share	(yen)	24.36	125.42	160.13
Diluted earnings per share	(yen)	—	122.16	155.37
Equity-to-asset ratio	(%)	40.5	47.0	43.1
Net cash provided by (used in) operating activities	(million yen)	1,062	2,411	6,902
Net cash provided by (used in) investing activities	(million yen)	(192)	88	(901)
Net cash provided by (used in) financing activities	(million yen)	(780)	(1,199)	(3,669)
Cash and cash equivalents at end of period	(million yen)	8,449	12,259	10,832

- Notes: 1. Non-consolidated financial data is not presented as the Company prepares quarterly consolidated financial statements.
2. Net sales do not include the consumption taxes.
3. Basic earnings per share and diluted earnings per share are computed using the average number of shares of common stock during the period, which is calculated by subtracting the number of treasury shares from these shares. These treasury shares include the treasury shares remaining in Board Benefit Trust, Employee Stock Ownership Plan Trust and Employee Shareholding Association-type ESOP Trust.
4. For the first quarter of 49th fiscal year, the amount of diluted earnings per share is not stated since the shares of the Company were not publicly traded back then, and thus, the average share price during the period was unavailable, although diluted shares existed.

2. Description of Business

There were no significant changes in the business in which the Company and its subsidiaries and affiliates (collectively, the “Group”) operate during the three months ended March 31, 2021. No changes were made to major subsidiaries and affiliates.

Item 2. Overview of Business

1. Business Risks

During the three months ended March 31, 2021, among the matters related to Overview of Business and Financial Information stated in this quarterly securities report, no major risks occurred that the management has recognized that may have a material impact on the financial position, operating results and cash flows of consolidated companies, and there were no significant changes in the matters related to “Business and other risks” stated in the annual securities report for the previous fiscal year.

2. Management’s Discussion and Analysis of Financial Position, Operating Results and Cash Flows

This document contains forward-looking statements, which are based on the Group’s estimates and assumptions made as of the end of the first quarter of the current fiscal year.

(1) Business performance

During the three months ended March 31, 2021, the global economic environment surrounding the Group remained uncertain due in part to the outbreak of COVID-19 variants which are believed to be more transmissible, despite vaccination rollouts.

The electronic musical instruments business continued to enjoy strong demand especially from customers taking up a challenge to start playing musical instruments or those who resume musical performance, both hoping to enjoy themselves during the stay home period. The major attraction of electronic musical instruments is that people can enjoy playing them alone or with others whenever and wherever they want.

Under these circumstances, at the end of the fourth quarter of the previous fiscal year, we temporarily piled up inventory to prepare for a potential reduction in the utilization of our main factory in Malaysia and other partners’ factories in the wake of COVID-19. However, on the back of persistently strong demand for electronic musical instruments, the stocked inventory was absorbed more quickly than expected during the first quarter of the current fiscal year, and the utilization of factories did not decline significantly. As a result, the volume of shipments was well beyond our expectation.

As a result of the above, during the three months ended March 31, 2021, net sales stood at ¥22,355 million (up 56.5% year on year) with operating profit of ¥4,610 million (up 321.2% year on year), ordinary profit of ¥4,369 million (up 402.6% year on year), and profit attributable to owners of parent of ¥3,423 million (up 423.3% year on year).

Sales performance by mainstay category is as shown below:

(Keyboards)

Among mainstay categories, sales of electronic pianos, especially online sales, remained strong across regions, driven by brisk demand from people staying home for longer hours in the wake of the COVID-19 pandemic. New portable piano series and new space-saving models launched during the current fiscal year and entry models launched during the fourth quarter of the previous fiscal year especially contributed to sales growth.

As a result of the above, net sales from the Keyboards category amounted to ¥6,924 million (up 61.3% year on year).

(Percussion and Wind Instruments)

Among mainstay categories, sales of electronic drums, especially the V-Drums Acoustic Design series launched in the previous fiscal year, remained strong. During the same period last year, many of the stores where our business was being operated were temporarily closed. During the first quarter of the current fiscal year, however, sales soared in all regions as the operating hours of many stores were back to normal.

Sales of electronic wind instruments marked a significant increase, especially in China followed by Europe, North America, and Japan, backed by brisk stay home demand and a contribution from the highest ranked Aerophone series model launched in the fourth quarter of the previous fiscal year.

As a result of the above, net sales from the Percussion and Wind Instruments category amounted to ¥5,052 million (up 87.6% year on year).

(Guitar-related Products)

Among mainstay categories, sales of guitar effects soared, backed especially by strong sales of new product families launched during the fourth quarter of the previous fiscal year and standard models of compact effects.

Sales of musical instruments amplifiers were stagnant in China during the same period last year under the influence of COVID-19. Among these amplifiers, however, sales of the models intended for outdoor use recovered markedly during the

first quarter of the current fiscal year. In addition, demand created through digital marketing in collaboration with key influencers helped increase sales of the KATANA amplifier series mainly in Europe and North America.

As a result of the above, net sales from the Guitar-related Products category amounted to ¥5,588 million (up 36.8% year on year).

(Creation-related Products & Services)

Among mainstay categories, sales of synthesizers performed strongly, driven by increased demand for electronic musical instruments from people staying home for longer hours amid the COVID-19. Products such as compact stage pianos and synthesizers equipped with 88 keys like electronic pianos contributed to sales growth.

Sales of dance and DJ-related products also soared, driven by strong sales of new product families launched during the previous and current fiscal years.

In the software and service domain, we continued to offer new software synthesizer to customers through Roland Cloud platform.

As a result of the above, net sales from the Creation-related Products & Services category amounted to ¥2,836 million (up 63.8% year on year).

(Video and Professional Audio)

Among mainstay categories, sales of video related products such as AV mixers grew, backed by rising video distribution demand from businesses, educational institutions, and individuals.

Sales of professional audio related products struggled as capital investment demand continued to decline under the influence of preventive measures against the spread of COVID-19.

As a result of the above, net sales from the Video and Professional Audio category amounted to ¥1,273 million (up 39.2% year on year).

(2) Analysis of consolidated financial position

Total assets at the end of the first quarter of the current fiscal year on a consolidated basis increased by ¥4,033 million from the end of the previous fiscal year to ¥50,130 million. This is attributable primarily to increases in cash and deposits of ¥1,426 million and trade receivable of ¥2,895 million respectively, which were partially offset by a decrease in accounts receivable nontrade in current assets of ¥459 million. The position of cash and deposits is described in detail in the next section.

Liabilities increased by ¥356 million from the end of the previous fiscal year to ¥26,302 million. This is attributable primarily to an increase in trade payables of ¥433 million.

Net assets increased by ¥3,676 million from the end of the previous fiscal year to ¥23,827 million. This is attributable mainly to recording of profit attributable to owners of parent of ¥3,423 million and an increase in foreign currency translation adjustment of ¥1,117 million due to the depreciation of yen against major currencies, which were partially offset by dividends from retained earnings of ¥992 million.

As a result of the above, the equity ratio rose 3.9 percentage points from the end of the previous fiscal year to 47.0%.

(3) Cash flows for the three months ended March 31, 2021

During the three months ended March 31, 2021, cash and cash equivalents (“net cash”) increased by ¥1,426 million from the end of the previous fiscal year to ¥12,259 million.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥2,411 million (up ¥1,348 million in the inflow year on year), which is attributable primarily to recording of profit before income taxes.

(Cash flows from investing activities)

Net cash provided by investing activities amounted to ¥88 million (up ¥281 million in the inflow year on year), which is attributable mainly to proceeds from sales of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1,199 million (up ¥419 million in the outflow year on year), which is attributable primarily to payments of dividends and repayments of borrowings.

(4) Management policy, management strategies, and issues to address

During the three months ended March 31, 2021, there were no significant changes in the Group's management policy, management strategies and issues to address.

(5) Research and development activities

R&D expenses for the three months ended March 31, 2021 totaled ¥1,045 million.

During the three months ended March 31, 2021, there were no significant changes in the Group's research and development activities.

(6) Actual amounts of production, orders received, and sales

During the three months ended March 31, 2021, actual amounts of production and sales significantly increased. For details, please refer to "(1) Business performance" above.

3. Material Contracts, etc.

During the three months ended March 31, 2021, no material contract, etc. was concluded or executed.

Item 3. Information about Reporting Company

1. Company's Shares, etc.

(1) Total number of shares

1) Authorized shares

Class	Total number of shares authorized to be issued (shares)
Common stock	80,000,000
Total	80,000,000

2) Issued shares

Class	Number of issued shares as of current quarter end (March 31, 2021) (shares)	Number of issued shares as of filing date (May 12, 2021) (shares)	Name of financial instruments exchange on which securities are listed or authorized financial instruments business association to which securities are registered	Description
Common stock	27,840,534	27,860,450	First Section of the Tokyo Stock Exchange	The number of shares constituting one unit is 100 shares.
Total	27,840,534	27,860,450	–	–

Note: The number of issued shares stated in “Number of issued shares as of the filing date” does not include the number of shares issued due to the exercise of share acquisition rights during the period from May 1, 2021 to the filing date of this Quarterly Securities Report.

(2) Share acquisition rights

1) Stock option plans

Not applicable

2) Share acquisition rights for other uses

Not applicable.

(3) Exercises of moving strike convertible bonds, etc.

Not applicable.

(4) Changes in number of issued shares, share capital and legal capital surplus

(Millions of yen, unless otherwise stated)

Date	Increase (decrease) in total number of issued shares (shares)	Balance of total number of issued shares (shares)	Increase (decrease) in share capital	Balance of share capital	Increase (decrease) in legal capital surplus	Balance of legal capital surplus
January 1, 2021 through March 31, 2021 (Note)	259,168	27,840,534	56	9,547	56	5,133

Note: The increase was due to the exercise of share acquisition rights.

(5) Major shareholders

There is nothing to be stated as this quarter is the first quarterly accounting period.

(6) Voting rights

The status of voting rights as of the end of the current quarter is presented as of December 31, 2020, the most recent record date, because the number of beneficiary shareholders as of March 31, 2021 could not be ascertained.

1) Issued shares

As of December 31, 2020

Category	Number of shares (shares)	Number of voting rights (units)	Description
Shares with no voting rights	–	–	–
Shares with restricted voting rights (treasury shares, etc.)	–	–	–
Shares with restricted voting rights (other)	–	–	–
Shares with full voting rights (treasury shares, etc.)	–	–	–
Shares with full voting rights (other)	Common stock: 27,580,000	275,800	Number of shares constituting one unit: 100 shares
Share less than one unit	Common stock: 1,366	–	–
Total number of issued shares	27,581,366	–	–
Voting rights held by all shareholders	–	275,800	–

- Notes: 1. “Shares with full voting rights (other)” of common stock includes 418,700 shares of the Company (4,187 voting rights) held by Custody Bank of Japan, Ltd. (Trust Account) as trust assets of the Board Benefit Trust, Employee Stock Ownership Plan Trust and Employee Shareholding Association-type ESOP Trust.
2. “Share less than one unit” of common stock includes 20 shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account) as trust assets of the Board Benefit Trust, Employee Stock Ownership Plan Trust and Employee Shareholding Association-type ESOP Trust.
3. “Share less than one unit” of common stock includes 90 treasury shares held by the Company.

2) Treasury shares, etc.

As of December 31, 2020

Name of shareholder	Address of shareholder	Number of shares held in own name (shares)	Number of shares held in others' names (shares)	Total number of shares held (shares)	Shareholding ratio (%)
–	–	–	–	–	–
Total	–	–	–	–	–

- Notes: 1. In addition to the above, the Company holds treasury shares less than one unit of 90 shares.
2. 418,720 shares are contributed to Custody Bank of Japan, Ltd. (Trust Account) as trust assets of the Board Benefit Trust, the Employee Stock Ownership Plan Trust and Employee Shareholding Association-type ESOP Trust.

2. Directors and Other Officers

Not applicable

Item 4. Financial Information

1. Basis for Preparation of Quarterly Consolidated Financial Statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the Ministry of Finance Ordinance No. 64, 2007 “Regulations Concerning the Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements” (“Regulations for Quarterly Consolidated Financial Statements”).

In addition, the quarterly consolidated statements of cash flows are prepared pursuant to Article 5-2, Paragraph 2 of the Regulations for Quarterly Consolidated Financial Statements.

2. Quarterly Review Report

The Company’s quarterly consolidated financial statements for the current quarter (from January 1, 2021 to March 31, 2021) were reviewed by Grant Thornton Taiyo LLC, pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

1. Quarterly Consolidated Financial Statements, etc.

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Previous fiscal year (As of December 31, 2020)	Current quarter (As of March 31, 2021)
Assets		
Current assets:		
Cash and deposits	10,832	12,259
Notes and accounts receivable – trade	5,930	8,826
Merchandise and finished goods	13,622	13,766
Work in process	889	1,058
Raw materials and supplies	3,563	3,924
Other	1,558	1,089
Allowance for doubtful accounts	(338)	(326)
Total current assets	36,058	40,597
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	2,717	2,654
Land	1,652	1,665
Other, net	1,391	1,446
Total property, plant and equipment	5,761	5,766
Intangible assets	759	724
Investments and other assets:		
Investment securities	949	959
Other	2,677	2,188
Allowance for doubtful accounts	(110)	(107)
Total investments and other assets	3,517	3,041
Total non-current assets	10,038	9,532
Total assets	46,096	50,130

(Millions of yen)

	Previous fiscal year (As of December 31, 2020)	Current quarter (As of March 31, 2021)
Liabilities		
Current liabilities:		
Notes and accounts payable – trade	5,228	5,662
Short-term borrowings	138	127
Current portion of long-term borrowings	3,935	3,904
Income taxes payable	467	816
Provision for bonuses	1,441	596
Provision for bonuses for directors (and other officers)	84	14
Provision for product warranties	294	355
Provision for loss on competition law	562	–
Other	4,826	6,095
Total current liabilities	16,979	17,571
Non-current liabilities:		
Long-term borrowings	5,762	5,543
Provision for product warranties	0	0
Provision for share-based remuneration	217	224
Provision for share-based remuneration for directors (and other officers)	25	29
Retirement benefit liability	1,482	1,469
Asset retirement obligations	85	86
Other	1,391	1,376
Total non-current liabilities	8,965	8,730
Total liabilities	25,945	26,302
Net assets		
Shareholders' equity:		
Share capital	9,490	9,547
Capital surplus	69	126
Retained earnings	13,230	15,660
Treasury shares	(403)	(396)
Total shareholders' equity	22,386	24,938
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	(51)	(52)
Foreign currency translation adjustment	(2,203)	(1,085)
Remeasurements of defined benefit plans	(278)	(264)
Total accumulated other comprehensive income	(2,533)	(1,402)
Share acquisition rights	158	141
Non-controlling interests	139	150
Total net assets	20,151	23,827
Total liabilities and net assets	46,096	50,130

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Net sales	14,282	22,355
Cost of sales	7,261	11,863
Gross profit	7,021	10,491
Selling, general and administrative expenses	5,926	5,881
Operating profit	1,094	4,610
Non-operating income:		
Interest income	3	2
Dividend income	3	1
Commission income	2	2
Other	2	2
Total non-operating income	11	8
Non-operating expenses:		
Interest expenses	10	6
Sales discounts	111	178
Foreign exchange losses	104	36
Other	9	26
Total non-operating expenses	236	249
Ordinary profit	869	4,369
Extraordinary income:		
Gain on sales of non-current assets	4	262
Total extraordinary income	4	262
Extraordinary losses:		
Loss on competition law	–	149
Loss on sales and retirement of non-current assets	0	0
Total extraordinary losses	0	150
Profit before income taxes	873	4,481
Income taxes – current	198	885
Income taxes – deferred	17	171
Total income taxes	216	1,056
Profit	656	3,425
Profit attributable to non-controlling interests	2	2
Profit attributable to owners of parent	654	3,423

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Profit	656	3,425
Other comprehensive income:		
Valuation difference on available-for-sale securities	(130)	(1)
Foreign currency translation adjustment	(979)	1,126
Remeasurements of defined benefit plans, net of tax	21	14
Total other comprehensive income	(1,088)	1,139
Comprehensive income	(431)	4,564
Comprehensive income attributable to:		
Owners of parent	(430)	4,554
Non-controlling interests	(0)	10

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Three months ended March 31, 2020	Three months ended March 31, 2021
Cash flows from operating activities:		
Profit before income taxes	873	4,481
Depreciation	386	393
Amortization of goodwill	1	1
Increase (decrease) in retirement benefit liability	23	3
Interest and dividend income	(6)	(3)
Interest expenses	10	6
Foreign exchange losses (gains)	(17)	(176)
Loss (gain) on sales and retirement of non-current assets	(3)	(261)
Decrease (increase) in trade receivables	996	(1,657)
Decrease (increase) in inventories	633	319
Increase (decrease) in trade payables	(836)	(347)
Other, net	(685)	205
Subtotal	1,374	2,964
Interest and dividends received	6	8
Interest paid	(5)	(6)
Income taxes paid	(313)	(554)
Net cash provided by (used in) operating activities	1,062	2,411
Cash flows from investing activities:		
Purchase of property, plant and equipment	(214)	(198)
Proceeds from sales of property, plant and equipment	5	298
Purchase of intangible assets	(61)	(16)
Long-term loan advances	(5)	–
Collection of long-term loans receivable	12	9
Other, net	70	(4)
Net cash provided by (used in) investing activities	(192)	88
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(1,955)	(8)
Proceeds from long-term borrowings	2,700	–
Repayments of long-term borrowings	(250)	(250)
Proceeds from issuance of shares	–	96
Proceeds from sales of treasury shares	–	32
Purchase of treasury shares	–	(0)
Dividends paid	(1,197)	(976)
Other, net	(77)	(94)
Net cash provided by (used in) financing activities	(780)	(1,199)
Effect of exchange rate change on cash and cash equivalents	(455)	126
Net increase (decrease) in cash and cash equivalents	(365)	1,426
Cash and cash equivalents at beginning of period	8,815	10,832
Cash and cash equivalents at end of period	* 8,449	* 12,259

Notes to Quarterly Consolidated Financial Statements

Quarterly consolidated balance sheets

Committed line of credit agreements with financial institutions

The Company has concluded committed line of credit agreements with its correspondent financial institution Resona Bank, Limited in order to finance working capital efficiently.

The balances of undrawn facilities under the committed line of credit agreements are as follows:

	Previous fiscal year (As of December 31, 2020)	Current quarter (As of March 31, 2021)
Total committed line of credit	8,000	8,000
Drawn facilities	-	-
Differences (balance of undrawn facilities)	8,000	8,000

(Millions of yen)

Quarterly consolidated statements of cash flows

* The reconciliation of quarterly ending balance of cash and cash equivalents with account balances per quarterly consolidated balance sheets is as follows:

	Three months ended March 31, 2020	Three months ended March 31, 2021
Cash and deposits	8,449	12,259
Cash and cash equivalents	8,449	12,259

(Millions of yen)

Shareholders' equity

For the three months ended March 31, 2020

1. Amount of dividends paid

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend paid per share (yen)	Record date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on March 31, 2020	Common stock	1,290	1,416	December 31, 2019	March 31, 2020	Retained earnings

Notes: 1. The total amount of dividends paid based on the resolution at the Ordinary General Meeting of Shareholders held on March 31, 2020 includes dividends of ¥23 million paid to the Company's shares held by trusts.

2. As the Company conducted a 30-for-one stock split of its common stock on September 14, 2020, but the dividends per share presented before the stock split.

2. Dividends with a record date in the current quarter, but an effective date after the end of the current quarter

Not applicable.

For the three months ended March 31, 2021

1. Amount of dividends paid

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend paid per share (yen)	Record date	Effective date	Source of dividends
Ordinary General Meeting of Shareholders held on March 30, 2021	Common stock	992	36	December 31, 2020	March 31, 2021	Retained earnings

Note: The total amount of dividends paid based on the resolution at the Ordinary General Meeting of Shareholders held on March 30, 2021 includes dividends of ¥15 million paid to the Company's shares held by trusts.

2. Dividends with a record date in the current quarter, but an effective date after the end of the current quarter

Not applicable.

Segment information, etc.

Segment information

Segment information is omitted because the Group operates a single segment of the Electronic Musical Instruments Business.

Per share information

Basic and diluted earnings per share and basis for calculation of both of them are as follows:

(Millions of yen, unless otherwise stated)

	Three months ended March 31, 2020	Three months ended March 31, 2021
(1) Basic earnings per share	24.36 yen	125.42 yen
(Basis for calculation)		
Profit attributable to owners of parent	654	3,423
Profit not attributable to common shareholders	–	–
Profit attributable to common shareholders of parent	654	3,423
Average number of shares of common stock during the period (thousand shares)	26,852	27,292
(2) Diluted earnings per share	–	122.16 yen
(Basis for calculation)		
Adjustment to profit attributable to owners of parent	–	–
Number of shares of common stock increased (thousand shares)	–	727
[(of which number of share acquisition rights (thousand shares)]	[–]	[727]
Any significant changes from the prior fiscal year end in potential shares not included in the calculation of diluted earnings per share due to their anti-dilutive effect.	–	–

Notes: 1. Diluted earnings per share for the three months ended March 31, 2020 is not stated because the Company's stock was not listed and thus the average stock price is not available during that period.

2. For the purpose of calculating basic earnings per share and diluted earnings per share, the aggregate number of shares of the Company held by the Board Benefit Trust, Employee Stock Ownership Plan Trust and Employee Shareholding Association-type ESOP Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period. The average numbers of shares of common stock held by these trusts after the stock split during the three months ended March 31, 2020 and 2021 were 491,010 shares and 417,042 shares, respectively.

2. Other information

Not applicable.

Section 2 Information about Reporting Company's Guarantor, etc.

Not applicable.

NOTE TO READERS:

The following is an English translation of the Independent Auditor's Quarterly Review Report originally issued in the Japanese language.

This is an English translation of the Independent Auditor's Quarterly Review Report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.

Independent Auditor's Quarterly Review Report

May 12, 2021

To the Board of Directors of Roland Corporation:

Grant Thornton Taiyo LLC

Osaka office

Designated Limited Liability Partner

Engagement Partner

Shigeyuki Moriuchi, CPA [Seal]

Designated Limited Liability Partner

Engagement Partner

Kenji Furuta, CPA [Seal]

Auditor's Conclusion

Pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we have reviewed the quarterly consolidated financial statements of Roland Corporation (the "Company") and its consolidated subsidiaries (the "Group") provided in the "Financial Information" section in the Company's Quarterly Securities Report, namely, the quarterly consolidated balance sheet as of March 31, 2021, the quarterly consolidated statements of income, comprehensive income, and cash flows for the three-month period then ended, and the related notes.

Based on our quarterly review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as of March 31, 2021, and its consolidated financial performance and cash flows for the three-month period then ended in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our review in accordance with the review standards for quarterly financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained evidence to provide a basis for our conclusion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the quarterly consolidated financial statements in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan, including the design, implementation and maintenance of such internal controls as management determines is necessary to enable the preparation and fair presentation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Director's execution of duties relating to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements

Our responsibilities are to issue an auditor's quarterly review report that includes our conclusion based on our quarterly review from an independent point of view.

As part of a quarterly review in accordance with the review standards for quarterly financial statements generally accepted in Japan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other quarterly review procedures. A quarterly review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- If we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, then we conclude, based on the evidence obtained, on whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements are not presented fairly in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's quarterly review report to the related notes to the quarterly consolidated financial statements or, if such notes are inadequate, to express a qualified conclusion or adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's quarterly review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation of the quarterly consolidated financial statements and the notes thereto are not in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan, as well as whether anything has come to our attention that causes us to believe that the overall presentation, structure and content of the quarterly consolidated financial statements, including the notes thereto do not represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- Obtain evidence regarding the financial information of the Group to express a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and performance of the review of the quarterly consolidated financial statements. We remain solely responsible for our conclusion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the quarterly review and significant review findings.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes: 1. The above report is the electronic version of the original Independent Auditor's Quarterly Review Report. The original report is kept separately by the Company (the reporting company of the Quarterly Securities Report).
2. The associated XBRL data are not included in the scope of the quarterly review.

Cover

Document title	Confirmation Note
Clause of stipulation	Article 24-4-8, Paragraph 1 of the Financial Instruments and Exchange Act
Place of filing	Director, Kanto Local Finance Bureau
Filing date	May 12, 2021
Company name	Roland Kabushiki Kaisha
Company name in English	Roland Corporation
Title and name of representative	Jun-ichi Miki, CEO and Representative Director
Title and name of Chief Financial Officer	Shunsuke Sugiura, Senior Executive Officer
Address of registered headquarters	2036-1 Nakagawa, Hosoe-cho, Kita-ku, Hamamatsu-shi, Shizuoka
Place for public inspection	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo)

1. Appropriateness of the Contents of this Quarterly Securities Report

Jun-ichi Miki, CEO and Representative Director, and Shunsuke Sugiura, CFO and Senior Executive Officer of Roland Corporation have confirmed that this Quarterly Securities Report for the first quarter of the 50th Fiscal Year (January 1, 2021 through March 31, 2021) is reasonably and fairly stated in accordance with the Financial Instruments and Exchange Act and related laws and regulations.

2. Other Information for Special Attention

There are no noteworthy matters that are pertinent to this Quarterly Securities Report.