Q1. **About the procurement situation of semiconductors, what have changed since three months ago and what is your outlook going forward?**

We expect that supply constraints of components and raw materials including semiconductors will ease in the second half and later of 2022. Currently, however, the supply has remained severely constrained. We are seeking to secure raw materials by keeping a close contact with our suppliers and placing long-term orders.

Q2. **What raw materials are in short supply? Are there any particular ones that are especially scarce?**

During the first half of 2021, we were especially short of semiconductors. Since the second half, however, short items have been expanding to include general-purpose electronic components. We are continuing to make all possible efforts, including design modifications, to adapt to the shortage.

Q3. **How severe was the impact of the spikes in raw materials and transportation costs on your performance in 2021? Also, how much impact have you incorporated into your forecast for 2022?**

The amount of impact from the spikes in raw materials and transportation costs totaled about 2.5 billion yen in 2021. We have factored in a further impact in the budget for fiscal 2022, which is about 1.5 billion yen more than the impact in 2021.

Q4. **You have mentioned that you are going to adjust prices during the first quarter of this fiscal year. Can I assume that you will adjust prices more than once this fiscal year like in 2021?**

At the moment, we do not intend to adjust more than once. We would like to avoid further price adjustments as far as possible. Nevertheless, while constantly monitoring whether the costs are trending up, we will implement appropriate measures as needed.

Q5. **I understand that you were unable to fully absorb the impact of rising costs in 2021 through the price adjustments. Can I assume that you can fully absorb the impact in 2022?**

Since it takes some time before price adjustments actually absorb the impact of rising costs, the price adjustments implemented in 2021 will not achieve full effect until 2022. More recently, costs
are getting even higher, but we believe we can absorb the rising costs through the price adjustments and other measures.

**Q6. What should Roland do more to accelerate the evolution into a marketing-driven company? Also, what are the challenges for Roland in unleashing its untapped potential?**

We believe we already have sufficient capabilities and skills, such as those to bring about innovation, to understand customers, and to develop powerful brands. With these capabilities and skills in place, we should focus on communicating with our customers in their local languages based on the understanding of market conditions, and speeding up such communications.

**Q7. What does Mr. Miki expect of the new management team?**

I strongly hope that they contribute to strengthening our marketing, turning the company into a truly global company, and reinvigorating both our organizations and human resources at home and abroad. I also expect that the rejuvenation of the management team will help unlock the untapped potential of the company.

**Q8. Please tell us if you have any M&A plans in mind. Also, please tell us about your stance on capital investment for future growth.**

At present, we have no specific plans for M&A or major capital investments. While we continue to work on innovation and increase our value added, if we find anything that falls short of investment, we are willing to spend cash for it.

**Q9. In connection with the “Notice Concerning Change in Major Shareholders (Planned)” released on December 27, 2021, please tell us about the possibility of collaborating with Fender Musical Instruments Corporation.**

We collaborated with Fender in the past but currently have no collaborative relationship with them. At this moment, we haven’t made any decisions about this matter.

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

Disclaimer

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