



# **Action to Implement Management that is Conscious of Cost of Capital and Stock Price**

February 14, 2024

**Roland Corporation**

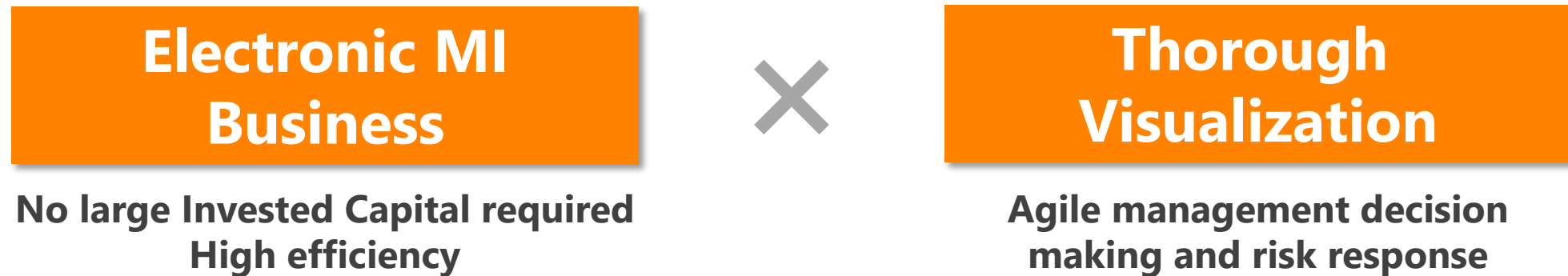
TSE Prime : 7944

## (1) Current Recognition

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

ROE	ROIC	PBR
22.2%	17.2%	3.04x



ROE = Net Income ÷ Equity Capital (Average at beginning and end of period)

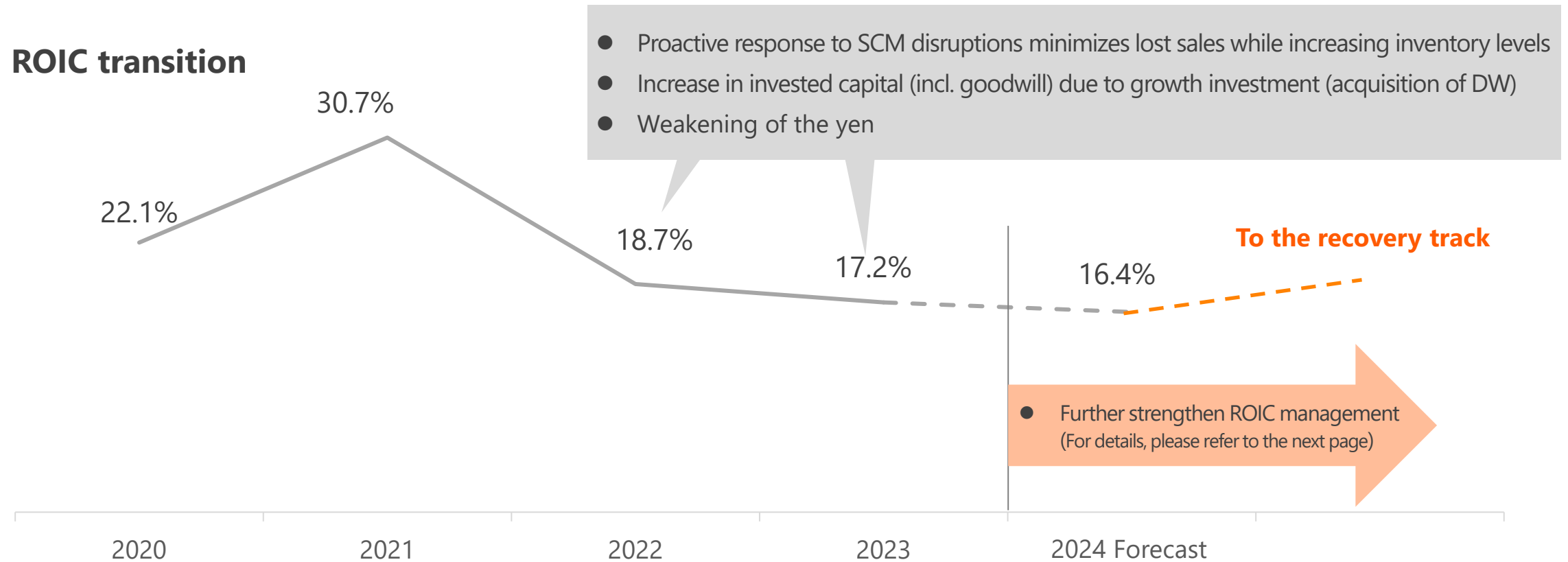
ROIC = NOPAT (Net Operating Profit After Tax) ÷ Invested Capital (Working Capital + Fixed Assets, Average at beginning and end of period)

PBR = Share price at end of period ÷ Book-value Per Share

<sup>1</sup> According to our research

## (2) Issues and initiatives

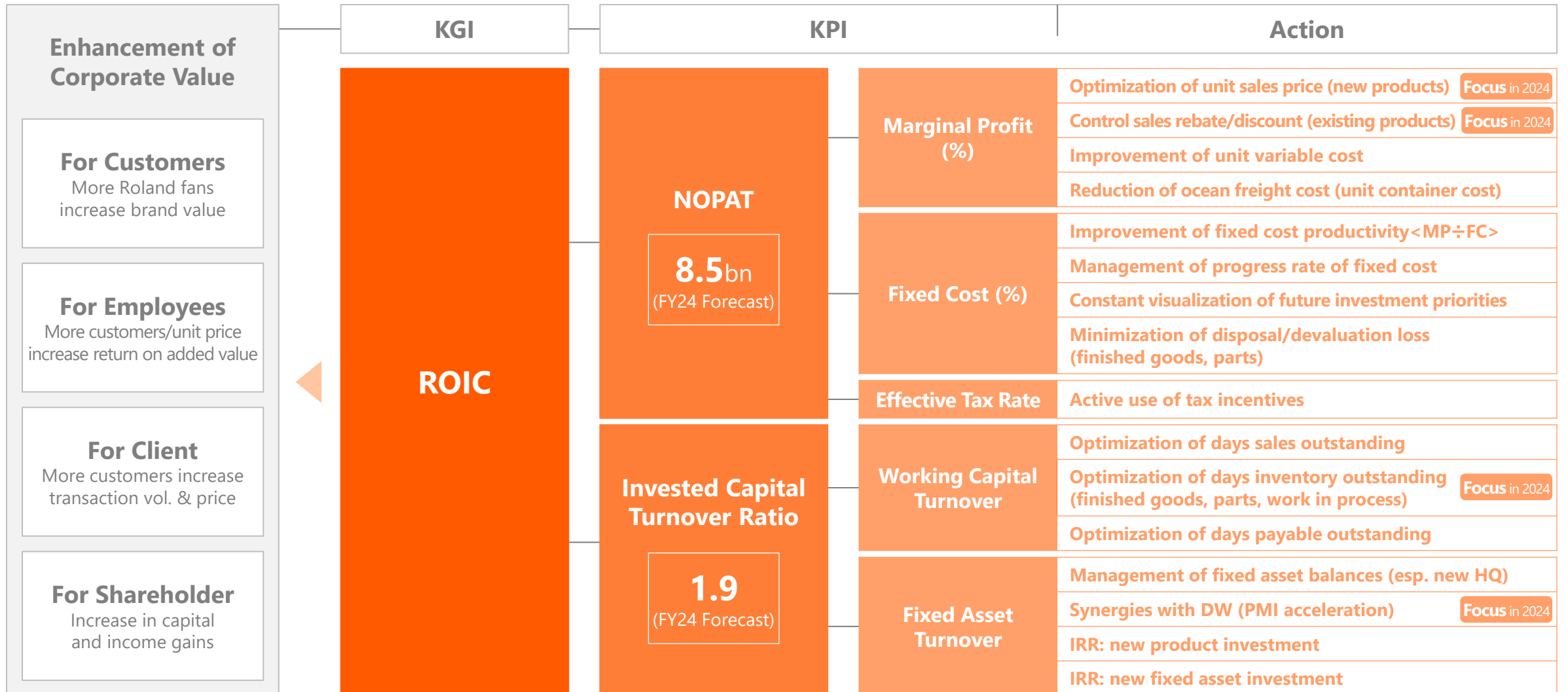
- Although capital efficiency remains high, ROIC declines due to recent risk response and growth investments
- Further strengthening of ROIC management to improve



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

### (3) ROIC Tree

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



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