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Notice Concerning Revisions to Full-year Result Forecasts and Unchanged Year-end Dividends Forecasts

Roland Corporation (the "Company") hereby announces the revisions to the consolidated financial results forecasts released on February 14, 2024, considering the recent operating trends, as described below.

1.Revisions to the consolidated financial result forecasts

Revisions to the consolidated financial result forecasts for the current fiscal year (January 1, 2024 through December 31, 2024)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A) (Announced on Feb 14, 2024)	Million Yen 99,900	Million Yen 11,400	Million Yen 11,300	Million Yen 8,500	Yen 308.37
Revised Forecast (B)	99,900	10,000	8,700	6,700	243.11
Change (B–A)	0	(1,400)	(2,600)	(1,800)	–
Change (%)	0	(12.3)	(23.0)	(21.2)	–
(Reference) Previous fiscal year results (Jan. 1, 2023 - Dec 31, 2023)	102,445	11,871	11,154	8,151	297.97

2. Reasons for revision

During the nine months ended September 30, 2024, shipments from the Company were relatively curbed in response to demand due to the impact of dealer inventory adjustments, which had been excessive. In the third quarter of the current year, this adjustment has generally subsided.

On the other hand, final demand continues to be lower than initial forecast on account of some implications such as a reactionary decline after stay-at-home demand and rising prices. Given these circumstances, while temporary price competitions are sensed in the market, the Company is striving to optimize prices as much as possible to maintain and improve brand value in preparation for a demand recovered period, although sales volume is expected to decrease. In addition, the Company has been engaging to generate profits by reining in spendings such as sales promotion expenses to the maximum extent while maintaining investments necessary for middle- to long-term growth.

However, since it would be difficult to cover the entire impact caused by the significant fall in sales volume and unit sales price from the initial plan with other countermeasures, full-year earnings forecast is revised downward for operating income, ordinary income, and net income attributable to owners of parent, while net sales are expected to be in line with the initial forecast aided by the exchange rates. As mentioned above, the final demand for electronic musical instruments has been in the adjustment phase yet, but this adjustment will coon come to an end, and the Company believes it moves to a moderate regrowth phase from 2025 onward. In addition to the regrowth of the market, the Company will aim to achieve corporate growth exceeding market growth with the help of the year-round contributions from the new product families launched in the current fiscal year and constant release of demand-creating new products.

3.Forecast for year-end dividends

The Company sets a basic policy on shareholder returns that "a consolidated total return ratio of 50% to achieve in principle, or a consolidated total return ratio of 30% or higher when the necessary funds are required for growth investment, by means of making sustainable and stable dividends payments as well as exercising agile purchase of treasury shares timely in consideration of stock market trends and capital efficiency." For the fiscal year ending December 31, 2024, although net income is expected to be below the initial forecast, year-end dividend forecast of ¥85 per share remains unchanged because the Company has no financial concerns, and it believes that future growth is feasible despite the current challenging business environment.

Note: Forward-looking statements in this document, including financial forecasts, are based on the information currently available to the Company, and actual business performance may differ from the forecast figures due to various factors in future.