

Translation

Note: 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.



Consolidated Financial Results for the Six Months Ended June 30, 2025 (Under Japanese GAAP)



August 7, 2025

Company name:	Roland Corporation	Listing:	Tokyo Stock Exchange
Security code:	7944	URL:	https://www.roland.com/global/
Representative:	Masahiro Minowa, CEO and Representative Director		
Contact:	Yuichi Hakamata, CFO and Executive Officer		
Phone:	+81-53-523-0230		
Scheduled date to file Semi-annual Securities Report (<i>Hanki Hokokusho</i>):	August 8, 2025		
Scheduled date to commence dividend payments:	September 11, 2025		
Preparation of supplementary material on financial results:	Yes		
Holding of financial results briefing:	Yes (for institutional investors and securities analysts)		

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the six months ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2025	45,806	(1.9)	3,825	(13.6)	3,687	(3.3)	3,914	5.9
June 30, 2024	46,705	1.3	4,428	4.0	3,811	(5.0)	3,694	15.6

Note: Comprehensive income

For the six months ended June 30, 2025 ¥1,367 million [(83.5)%]

For the six months ended June 30, 2024 ¥8,302 million [44.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	146.43	145.98
June 30, 2024	134.05	132.84

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	84,969	40,001	46.8
December 31, 2024	81,586	46,682	56.8

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)

As of June 30, 2025: ¥39,748 million

As of December 31, 2024: ¥46,374 million

2. Dividends

	Annual dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended December 31, 2024	Yen —	Yen 85.00	Yen —	Yen 85.00	Yen 170.00
Fiscal year ending December 31, 2025	—	85.00			
Fiscal year ending December 31, 2025 (forecast)			—	85.00	170.00

Note: Revisions from the most recently announced dividends forecast: None

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2025 (from January 1 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	96,900	(2.5)	8,100	(18.6)	7,700	(8.5)	5,700	(4.6)	214.83
	~100,900	~1.5	~10,100	~1.5	~9,700	~15.3	~7,200	~20.5	~271.36

Note: Revisions from the most recently announced forecast of consolidated financial results: None

[Notes]

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements
 - 1) Changes in accounting policies due to the application of new or revised accounting standards: Yes
 - 2) Changes in accounting policies due to reasons other than the above 1): None
 - 3) Changes in accounting estimates: None
 - 4) Restatements of prior period financial statements: None
- (4) Number of shares of common stock issued
 - 1) Number of shares issued (including treasury shares)
 - As of June 30, 2025: 26,580,659 shares
 - As of December 31, 2024: 28,163,038 shares
 - 2) Number of treasury shares
 - As of June 30, 2025: 238,801 shares
 - As of December 31, 2024: 513,193 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)
 - Six months ended June 30, 2025: 26,730,120 shares
 - Six months ended June 30, 2024: 27,559,983 shares

Note: The aggregate number of shares of the Company held by the Board Benefit Trust and Employee Stock Ownership Plan Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period. The average numbers of shares outstanding held by these trusts during the six months ended June 30, 2024 and 2025 were 216,088 shares and 176,372 shares, respectively.

* Semi-annual financial results reports are not subject to review by certified public accountants or an audit firm.

* [Proper use of earnings forecasts and other special notes]

(Disclaimer with respect to earnings and other forecasts)

- The forward-looking statements, including the earnings forecast contained in this document, are based on information currently available and on certain assumptions deemed reasonable. Accordingly, please be advised that the Company does not guarantee the achievement of these forecasts, and the actual results may differ from those described in this forward-looking statements due to various factors. For further information regarding the consolidated earnings forecast, please refer to “Explanation of forward-looking information including consolidated earnings forecast” on page 3 of the Attached Materials.
- The Company will hold a financial results briefing for institutional investors and securities analysts on Thursday, August 7, 2025. The materials used in the briefing will be available on the Company’s website.

Contents of Attached Materials

1. Qualitative Information on Semi-annual Consolidated Financial Results	P. 2
(1) Explanation of consolidated operating results	P. 2
(2) Explanation of consolidated financial position	P. 3
(3) Explanation of forward-looking information including consolidated earnings forecast	P. 3
2. Semi-annual Consolidated Financial Statements and Major Notes	P. 4
(1) Semi-annual consolidated balance sheets	P. 4
(2) Semi-annual consolidated statements of income and consolidated statements of comprehensive income	P. 6
(3) Semi-annual consolidated statements of cash flows	P. 8
(4) Notes to semi-annual consolidated financial statements	P. 9
(Going concern assumption)	P. 9
(Significant changes in shareholders' equity)	P. 9
(Changes in accounting policies)	P. 9

1. Qualitative Information on Semi-annual Consolidated Financial Results

(1) Explanation of consolidated operating results

During the six months ended June 30, 2025 (hereinafter referred to as the “period under review”), the global economic environment surrounding the Group remained highly uncertain due to turmoil stemming from the U.S. tariff policies, rising geopolitical risks worldwide and unstable currency fluctuations.

In the electronic musical instruments market where the Group operates, demand showed signs of recovery as COVID-19 aftereffects – such as inventory adjustments at retail stores and a reactionary decline in demand – appeared to have bottomed out. However, concerns remained regarding the adverse impact of significant changes in the U.S. tariff policies on various aspects, including supply chains, profitability, and the competitive environment. Meanwhile, in Europe, the situation stayed highly uncertain, partly due to the bankruptcy of some musical instrument retailers amid intensifying competition. Against this backdrop, the Company has been proactively turning crisis into opportunity by swiftly implementing both defensive strategies and offensive initiatives. The defensive strategies involved a zero-based cost review to minimize the tariff impact. On the offensive side, initiatives such as adjusting prices in the U.S. by leveraging the Group’s brand recognition, shifting production sites, and strengthening sales negotiations by capitalizing on the relatively smaller tariff impact.

As a result of the above, during the period under review, the Group recorded net sales of ¥45,806 million (down 1.9% year on year). In terms of profit, the Group recorded operating profit of ¥3,825 million (down 13.6% year on year), ordinary profit of ¥3,687 million (down 3.3% year on year), and profit attributable to owners of parent of ¥3,914 million (up 5.9% year on year).

Sales performance (year-on-year change) by mainstay category is as shown below:

[Keyboards] Net sales: ¥11,783 million (down 0.1% year on year)

As to electronic pianos, there are signs of a gradual recovery in China, where sales have been struggling. Meanwhile, sales in other major regions remained firm, showing a recovery trend, especially for the lower price products.

Sales of portable keyboards remained strong, supported by new products launched in the previous and current fiscal years.

[Percussion and Wind Instruments] Net sales: ¥13,378 million (down 3.6% year on year)

For electronic drums, demand for the flagship product lines launched last year remained robust. Meanwhile, sell-in figures for acoustic drums were below expectations due to stock shortages caused by the U.S. tariff policies on production.

Sales of electronic wind instruments were negatively affected by weakening demand and intensified competition, especially in the Chinese market.

[Guitar-related Products] Net sales: ¥11,489 million (down 4.4% year on year)

Sales of guitar effects remained firm, as the stockouts of certain products that occurred in the first quarter of the current fiscal year have been largely resolved. As for musical instrument amplifiers, despite a reactionary decline following the flagship model update in the second quarter of the previous fiscal year, final demand remained solid.

[Creation-related Products & Services] Net sales: ¥6,119 million (up 4.0% year on year)

Sales of synthesizers remained strong, supported by new product launches in the previous and current fiscal years.

As to dance and DJ-related products, sales remained sluggish, primarily due to a reactionary decline following the release of limited-edition models in the previous fiscal year, as well as decreased demand for existing products.

In the software and service domain, Roland Cloud continued to expand its offerings by providing additional content and new services aimed at increasing the LTV (Lifetime Value) of products for users, which led to continued growth in membership accounts.

[Video and Professional Audio] Net sales: ¥1,645 million (up 3.8% year on year)

Sales of video-related products remained strong, supported by a gradual recovery in demand for AV system installations and the impact of new products launched in the previous fiscal year.

For details of sales performance by region, please refer to the Financial Results Highlights posted on the Company’s IR website.

<https://ir.roland.com/en/ir.html>

(2) Explanation of consolidated financial position

(i) Assets, liabilities and net assets as of June 30, 2025

Total assets at the end of the period under review increased by ¥3,383 million from the end of the previous fiscal year, reaching ¥84,969 million. This increase was primarily driven by rises in cash and deposits of ¥4,549 million, as details described in the cash flows section, and property, plant and equipment of ¥2,767 million, partially offset by decreases in trade receivables of ¥1,898 million, inventories of ¥977 million, and intangible assets of ¥780 million.

Total liabilities increased by ¥10,064 million from the end of the previous fiscal year to ¥44,967 million. This is primarily attributable to increases in trade payables of ¥1,943 million, borrowings of ¥6,854 million, accounts payable – other of ¥2,151 million included in other under current liabilities, respectively.

Net assets decreased by ¥6,680 million from the end of the previous fiscal year, resulting in a total of ¥40,001 million. The main factors behind this decrease were reductions in retained earnings of ¥9,164 million, primarily due to the cancellation of treasury shares and the declaration and payment of dividends, and a foreign currency translation adjustment of ¥2,343 million caused by the appreciation of the yen against major currencies. These decreases were partially offset by a reduction of ¥1,155 million in treasury shares (a contra account of net assets) mainly resulting from the cancellation of treasury shares, and by profit attributable to owners of the parent amounting to ¥3,914 million.

As a result of the above, the equity ratio decreased by 10.1 percentage points from the end of the previous fiscal year to 46.8%.

(ii) Cash flows for the six months ended June 30, 2025

During the period under review, cash and cash equivalents (“net cash”) increased by ¥4,549 million (an increase by ¥551 million for the same period of the previous fiscal year) to ¥19,027 million at the end of the period.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥7,220 million (¥6,116 million provided for the same period of the previous fiscal year), primarily due to the recording of profit before income taxes and a decrease in working capital.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥1,339 million (¥245 million provided for the same period of the previous fiscal year), primarily due to the capital expenditures for the purchases of property, plant and equipment, as well as intangible assets.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥1,622 million (¥6,008 million used in the same period of the previous fiscal year), primarily due to the purchase of treasury shares and dividend payments, partially offset by proceeds from long-term borrowings.

(3) Explanation of forward-looking information including consolidated earnings forecast

There is no change to the consolidated financial earnings forecast for the current fiscal year, as announced on May 13, 2025. Should there be any revisions, an updated forecast will be disclosed in a timely and appropriate manner.

2. Semi-annual Consolidated Financial Statements and Major Notes

(1) Semi-annual consolidated balance sheets

	(Millions of yen)	
	Previous fiscal year (As of December 31, 2024)	Semi-annual period (As of June 30, 2025)
Assets		
Current assets:		
Cash and deposits	14,478	19,027
Notes and accounts receivable – trade	12,538	10,640
Merchandise and finished goods	19,076	18,563
Work in process	1,462	1,564
Raw materials and supplies	8,608	8,042
Other	2,564	2,312
Allowance for doubtful accounts	(736)	(622)
Total current assets	57,993	59,528
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	3,337	3,072
Land	2,324	2,315
Other, net	3,903	6,944
Total property, plant and equipment	9,566	12,333
Intangible assets		
Goodwill	3,087	2,641
Other	4,358	4,023
Total intangible assets	7,445	6,664
Investments and other assets:		
Investment securities	724	708
Other	5,947	5,827
Allowance for doubtful accounts	(90)	(93)
Total investments and other assets	6,581	6,442
Total non-current assets	23,592	25,441
Total assets	81,586	84,969

	(Millions of yen)	
	Previous fiscal year (As of December 31, 2024)	Semi-annual period (As of June 30, 2025)
Liabilities		
Current liabilities:		
Notes and accounts payable – trade	4,730	6,674
Short-term borrowings	5,300	3,000
Current portion of long-term borrowings	2,358	2,570
Income taxes payable	331	310
Provision for bonuses	739	930
Provision for bonuses for directors (and other officers)	17	19
Provision for product warranties	330	336
Other	7,278	8,941
Total current liabilities	21,085	22,782
Non-current liabilities:		
Long-term borrowings	10,832	19,775
Provision for share awards	243	237
Provision for share awards for directors (and other officers)	73	37
Retirement benefit liability	264	273
Asset retirement obligations	89	89
Other	2,313	1,771
Total non-current liabilities	13,818	22,185
Total liabilities	34,903	44,967
Net assets		
Shareholders' equity:		
Share capital	9,641	9,641
Retained earnings	28,300	23,050
Treasury shares	(1,604)	(449)
Total shareholders' equity	36,337	32,242
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	36	28
Foreign currency translation adjustment	8,422	6,078
Remeasurements of defined benefit plans	1,579	1,398
Total accumulated other comprehensive income	10,037	7,506
Share acquisition rights	45	5
Non-controlling interests	262	247
Total net assets	46,682	40,001
Total liabilities and net assets	81,586	84,969

(2) Semi-annual consolidated statements of income and consolidated statements of comprehensive income

Semi-annual consolidated statements of income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Net sales	46,705	45,806
Cost of sales	26,522	26,050
Gross profit	20,183	19,756
Selling, general and administrative expenses	15,754	15,931
Operating profit	4,428	3,825
Non-operating income:		
Interest income	23	18
Dividend income	36	36
Miscellaneous income	3	47
Other	3	2
Total non-operating income	66	105
Non-operating expenses:		
Interest expenses	76	113
Foreign exchange losses	603	125
Other	4	4
Total non-operating expenses	683	243
Ordinary profit	3,811	3,687
Extraordinary income:		
Gain on sale of non-current assets	3	0
Gain on sale of investment securities	406	—
Gain on sale of businesses	297	—
Settlement income	—	361
Total extraordinary income	707	362
Extraordinary losses:		
Loss on sale and retirement of non-current assets	4	15
Loss on liquidation of subsidiaries	—	11
Extra retirement payments	158	170
Provision of allowance for doubtful accounts	156	—
Total extraordinary losses	319	196
Profit before income taxes	4,198	3,852
Income taxes – current	540	355
Income taxes – deferred	(37)	(420)
Total income taxes	502	(64)
Profit	3,695	3,917
Profit attributable to non-controlling interests	1	2
Profit attributable to owners of parent	3,694	3,914

Semi-annual consolidated statements of comprehensive income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	3,695	3,917
Other comprehensive income:		
Valuation difference on available-for-sale securities	(114)	(7)
Foreign currency translation adjustment	4,827	(2,361)
Remeasurements of defined benefit plans, net of tax	(106)	(180)
Total other comprehensive income	4,606	(2,549)
Comprehensive income	8,302	1,367
Comprehensive income attributable to:		
Owners of parent	8,275	1,382
Non-controlling interests	26	(15)

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities:		
Profit before income taxes	4,198	3,852
Depreciation	1,237	1,284
Amortization of goodwill	194	189
Increase (decrease) in retirement benefit liability	(190)	(148)
Interest and dividend income	(59)	(55)
Interest expenses	76	113
Foreign exchange losses (gains)	64	65
Loss (gain) on sale of investment securities	(406)	—
Loss (gain) on sale and retirement of non-current assets	0	14
Loss (gain) on liquidation of subsidiaries	—	11
Loss (gain) on sale of businesses	(297)	—
Decrease (increase) in trade receivables	4,351	515
Decrease (increase) in inventories	450	(364)
Increase (decrease) in trade payables	(1,260)	2,648
Other, net	(1,449)	(514)
Subtotal	6,908	7,613
Interest and dividends received	60	55
Interest paid	(76)	(113)
Income taxes paid	(776)	(334)
Net cash provided by (used in) operating activities	6,116	7,220
Cash flows from investing activities:		
Purchase of property, plant and equipment	(574)	(1,091)
Proceeds from sale of property, plant and equipment	20	5
Purchase of intangible assets	(512)	(201)
Proceeds from sale of investment securities	683	—
Proceeds from sale of businesses	632	—
Other, net	(4)	(51)
Net cash provided by (used in) investing activities	245	(1,339)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(2,300)	(2,300)
Proceeds from long-term borrowings	4,010	10,400
Repayments of long-term borrowings	(5,206)	(1,245)
Purchase of treasury shares	—	(5,799)
Proceeds from sale of treasury shares	284	72
Dividends paid	(2,356)	(2,366)
Other, net	(440)	(382)
Net cash provided by (used in) financing activities	(6,008)	(1,622)
Effect of exchange rate change on cash and cash equivalents	197	290
Net increase (decrease) in cash and cash equivalents	551	4,549
Cash and cash equivalents at beginning of period	12,883	14,478
Cash and cash equivalents at end of period	13,434	19,027

(4) Notes to semi-annual consolidated financial statements

(Going concern assumption)

Not applicable

(Significant changes in shareholders' equity)

(Purchase of treasury shares)

The Company acquired 1,518,300 treasury shares based on the resolution passed at the Board of Directors meeting held on February 13, 2025. As a result, its treasury shares increased by ¥5,799 million.

(Cancellation of treasury shares)

The Company canceled 1,582,379 treasury shares based on the resolution passed at the Board of Directors meeting held on April 23, 2025. As a result, both capital surplus and treasury shares decreased by ¥6,148 million. Since the cancellation of treasury shares caused the capital surplus to turn negative, the Company offset the negative balance by reducing retained earnings by the corresponding amount, thereby bringing the capital surplus to zero.

As a result of these transactions, retained earnings and treasury shares at the end of the period under review amounted to ¥23,050 million and ¥449 million, respectively.

(Changes in accounting policies)

(Application of *Accounting Standard for Current Income Taxes* and other standards)

The Company has applied the *Accounting Standard for Current Income Taxes* (ASBJ Statement No. 27, issued on October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) and related standards, effective from the beginning of the period under review.

Regarding the amendments related to the classification of corporate income taxes (i.e., taxation on other comprehensive income), the Company has adopted the transitional treatment set forth in the proviso to paragraph 20-3 of the Revised Accounting Standard 2022, as well as the transitional treatment stipulated in the proviso to paragraph 65-2(2) of the *Guidance on Accounting Standard for Tax Effect Accounting* (ASBJ Guidance No. 28, issued on October 28, 2022; hereinafter referred to as the “Revised Guidance 2022”). These changes in accounting policies had no impact on the semi-annual consolidated financial statements.

Furthermore, with respect to the amendments related to the revised accounting treatment in consolidated financial statements for deferred taxes on gains or losses arising from intra-group sales of shares in subsidiaries, the Company has applied the Revised Guidance 2022 from the beginning of the period under review. This change in accounting policy has been applied retrospectively, and the semi-annual consolidated financial statements for the six months ended June 30, 2024, as well as the consolidated financial statements for the fiscal year ended December 31, 2024, have been restated accordingly. These restatements had no impact on either of the aforementioned consolidated financial statements.