Roland

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Financial Results Highlights

FY12/2026 Q2

Aug 7, 2026

Roland Corporation

Video Switcher V-1-4K

Executive Summary

- **FY12/2026 Q2 (First Half) Results**
  - Net sales increased, supported by a market recovery and contributions from new products
  - Operating profit increased, with higher costs including U.S. tariffs and other factors offset by price optimization and FX effects

- **FY12/2026 Full-Year Forecast** **Forecast unchanged: higher sales and profit expected**
  - Semiconductor memory prices have exceeded assumptions, with the impact expected to materialize gradually
  - Cost increases are expected to be largely offset by price optimization, lower U.S. tariff burden, and favorable FX
  - Steady progress expected from Q3 onward, supported by order backlog shipments and new products

- **Shareholder Returns** **Dividend forecast unchanged**
  - Interim dividend resolved at ¥85 per share, in line with the initial forecast

Highlights (First Half)

Sales **51.6**bn (YoY: +**12.9**%)	• The musical instrument market continues to recover gradually • Price optimization and new products contributed to sales growth
Operating Profit **4.4**bn (YoY: +**16.0**%)	• Higher costs, including U.S. tariffs and SG&A expenses, remained a headwind, but were offset through continued measures • Operating profit increased, also supported by favorable FX effects
Net Profit[1] **3.1**bn (YoY: -**18.3**%)	• The YoY decline reflects prior-year temporary factors, including a one-off tax timing effect

1 Net profit refers to "net profit attributable to owners of parent”

Consolidated Financial Results

(JPY mn)	FY12/2025 First Half[1] Actual	FY12/2025 First Half[1] % of Sales	FY12/2026 First Half[2] Actual	FY12/2026 First Half[2] % of Sales	FY12/2026 First Half[2] YoY	(vs. Initial Forecast)
Sales	**45,806**	100.0%	**51,697**	100.0%	**+12.9%**	+4.4%
Gross Profit	**19,756**	43.1%	**21,667**	41.9%	**+9.7%**	+2.6%
SG&A	**15,931**	34.8%	**17,229**	33.3%	**+8.1%**	+0.1%
Operating Profit	**3,825**	8.4%	**4,437**	8.6%	**+16.0%**	+13.7%
Net Profit[3]	**3,914**	8.5%	**3,199**	6.2%	**-18.3%**	+6.6%
EBITDA	**5,299**	11.6%	**5,908**	11.4%	**+11.5%**	+9.2%

1 Exchange rates for FY12/2025 H1 USD/JPY: 148.62, EUR/JPY: 162.22, EUR/USD: 1.092
2 Exchange rates for FY12/2026 H1 USD/JPY: 158.19, EUR/JPY: 184.58, EUR/USD: 1.167
3 Net profit refers to "net profit attributable to owners of parent"

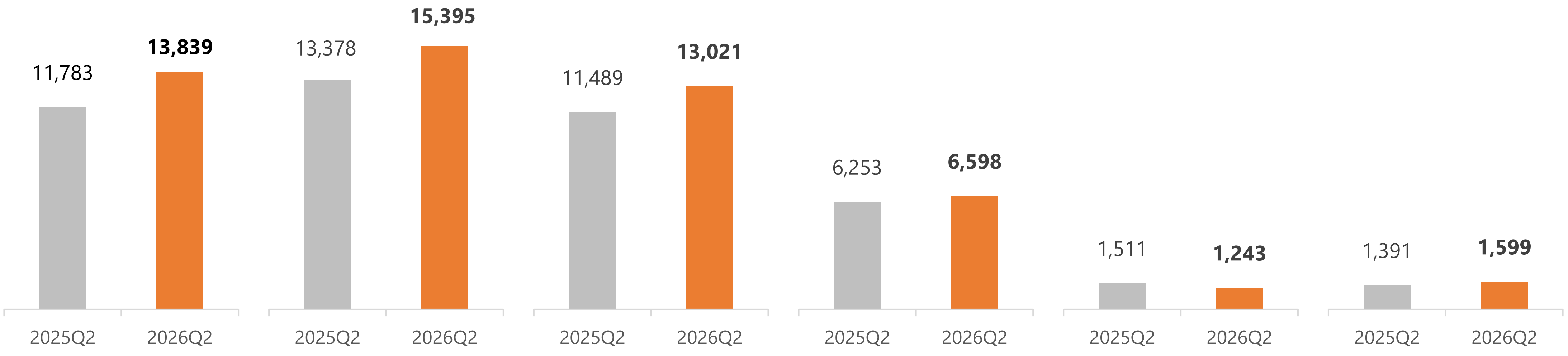
FX impact on sales
Approx. +¥4.4bn

Sales by Category (First Half)

- Sales increased in core categories: Keyboards, Percussion & Wind, and Guitar-related products
- Creation-related products have been recovering since April, driven by strong dance-related products
- Video & Pro Audio remains challenging, but recovery is expected from Q3 onward with new product launches

(JPY mn)

	Keyboards	Perc. & Wind	Guitar-related	Creation-related[2]	Video & Pro Audio[2]	Others	Total
YoY[1]	+17.5% **(+6.5%)**	+15.1% **(+5.5%)**	+13.3% **(+3.8%)**	+5.5% **(-3.6%)**	-17.7% **(-23.0%)**	+15.0% **(+4.7%)**	+12.9% **(+3.1%)**



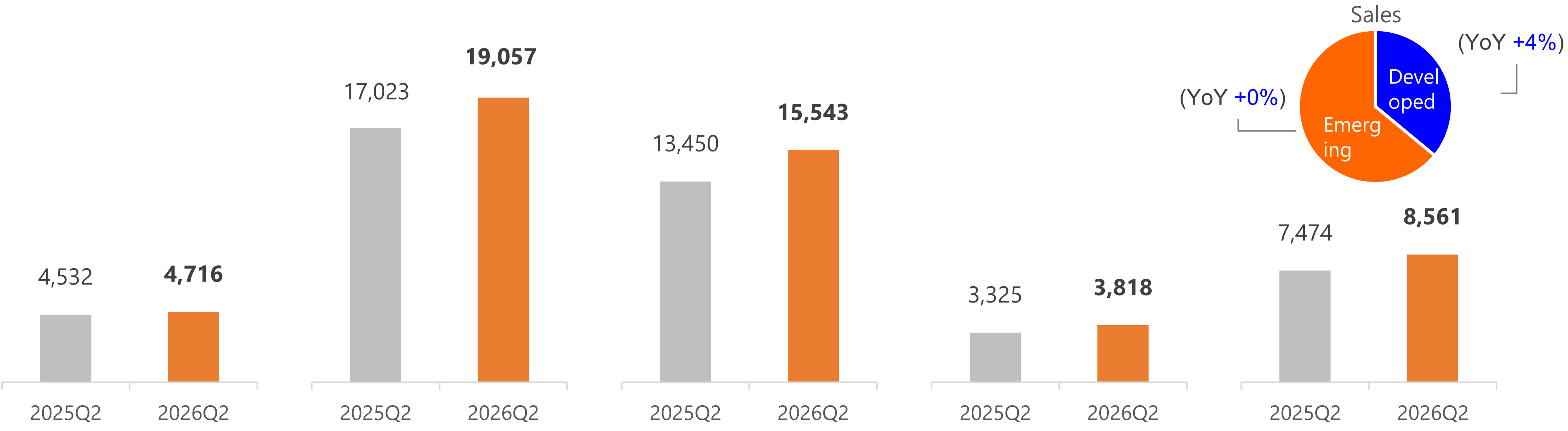
1 Figures in ( ) show comparisons excluding FX impact.
2 Category definitions were slightly revised, and certain items were reclassified. Prior-period comparison figures have also been restated accordingly.

Sales by Region (First Half)

- Sales exceeded the prior-year level across all major regions
- Despite near-term uncertainty, demand momentum in Japan, the U.S. and Europe remains broadly unchanged
- In China, recovery momentum slowed, and demand has been trending downward
- In emerging markets, order backlog shipments progressed, bringing sales back to around the prior-year level

(JPY mn)

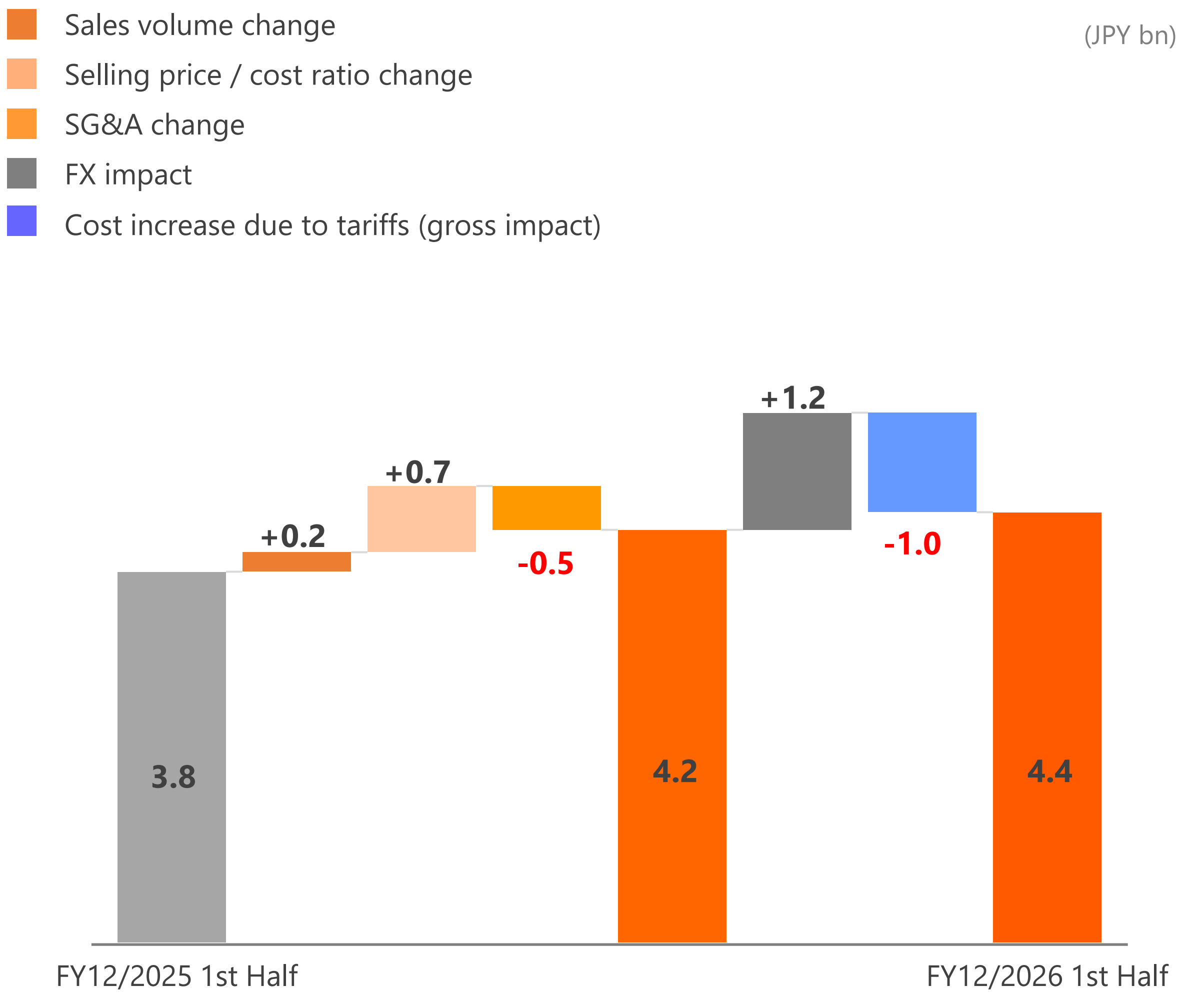
	Japan	North America	Europe	China	Others	Total
YoY[1]	+4.1% **(+4.0%)**	+12.0% **(+5.1%)**	+15.6% **(+1.6%)**	+14.8% **(+1.5%)**	+14.5% **(+1.6%)**	+12.9% **(+3.1%)**



1 Figures in ( ) show comparisons excluding FX impact.

Consolidated Operating Profit (First Half)

Changes (YoY)



Factors (YoY)

- **Sales Volume**
  - ✓ Gradual market recovery
  - ✓ Contributions from new products
- **Selling Price / Cost Ratio**
  - ✓ Mainly driven by price optimization
  - ✓ Impact from higher semiconductor memory prices remained limited as of Q2 YTD
- **SG&A**
  - ✓ Increase in R&D, sales promotion and other expenses
  - ✓ Some spending was shifted to H2, taking into account changes in the external environment

Topics: Major New Products and Services Announced in Q2

Announced a GO:KEYS series collaboration model featuring the popular "Minions" characters

Portable Keyboard

GO:KEYS 3 Minion

Based on GO:KEYS 3, the model features original "Minions" artwork and character voices.
A portable keyboard that enables beginners and a wide range of users to enjoy playing and creating music with ease.

Base model

GO:KEYS 3 (launched in 2024)

Topics: Major New Products and Services Announced in Q2

Announced two 4K-compatible products in the Video & Pro Audio category

Video Switcher
V-1-4K

V-1-4K (In-use Image)

A compact video switcher that inherits the ease of use of the long-selling V-1 series,enabling easy setup of 4K video systems for small events, corporate seminars and live streaming.

Video Converter / Scaler
VC-1SC-4K

VC-1SC-4K (In-use Image)

A video converter / scaler that supports 4K video conversion and screen adjustment for LED displays, enabling smooth setup of video systems for small- to mid-sized events, live music venues and multipurpose halls.

Topics: Major New Products and Services Announced in Q2

Announced new products, including a hardware series, under DW-related brands

9000X Series Hardware

DW’s next-generation hardware series, designed for precision, speed and stability.
The InnerLock™ system and modular design enable quick setup and high stability in live environments.

Gene Krupa Limited Radio King Snare Drum

A limited-edition Slingerland “Radio King” snare drum,2created in tribute to legendary jazz drummer Gene Krupa.

Overview of Changes in the External Environment

- Impact from changes in the external environment is expected to be largely absorbed

	Current View	YoY Impact[1]
1. Middle East Tensions	• Middle East sales exposure is limited, with no major impact • Raw material costs and other costs have risen slightly • Procurement remains manageable	• Slight downside factor
2. Memory Tightness	• Prices have risen significantly above the prior-year level • Production impact from procurement difficulty is expected to be minimal this fiscal year	• Significant downside factor
3. U.S. Tariff Rates[1]	• Tariff rates declined from late February to late July • New tariff rates applied from July 25 under Section 301 are also lower than assumed[1]	• Still a downside factor YoY, but significantly lower than assumed
4. FX Movements[1]	• JPY has weakened significantly YoY • This trend is expected to continue through the end of the year	• Significant upside factor

1 For assumptions used in the latest earnings forecast, please refer to p.19 of the supplemental materials

Our Response to Changes in the External Environment

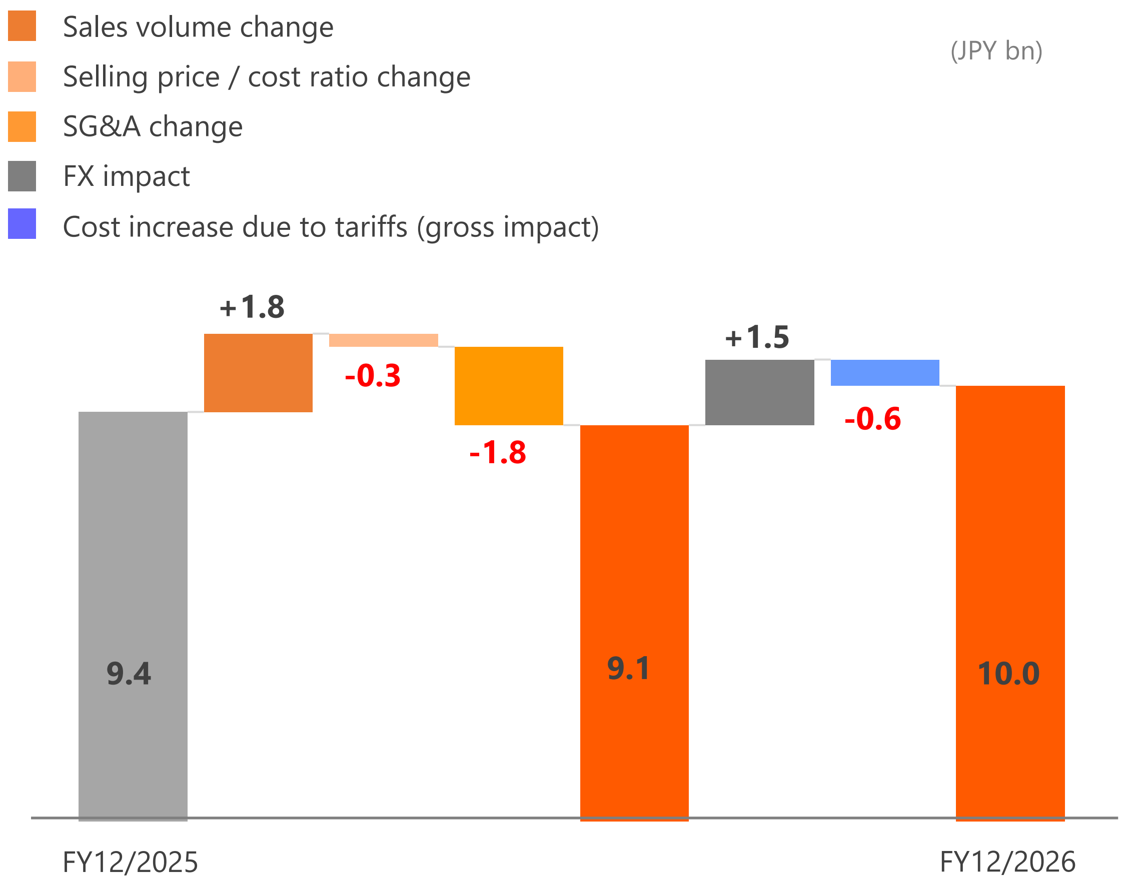
- Implementing four key initiatives to minimize the impact

	Actions
1. Price Optimization	• To be implemented in stages while monitoring sales volume, competition and market trends
2. Accelerating Backlog Shipments	• Prioritize production and shipments of backlogged products with confirmed demand
3. Ensuring New Product Launches	• Ensure timely launches of new products from Q3 onward and maximize sales
4. Memory Supply Response	• Strengthen advance procurement in preparation for a prolonged issue • Minimize impact from next fiscal year onward through development prioritization and strategic material allocation

Consolidated Operating Profit Forecast

- **Operating profit forecast remains unchanged at ¥10.0bn**

Current View (YoY)



1 For assumptions used in the latest forecast, please refer to p.19 of the supplemental materials
2 Tariff refunds remain uncertain in terms of both timing and amount, and are not included in the forecast at this point (approx. ¥3.0bn)

Factors (YoY)

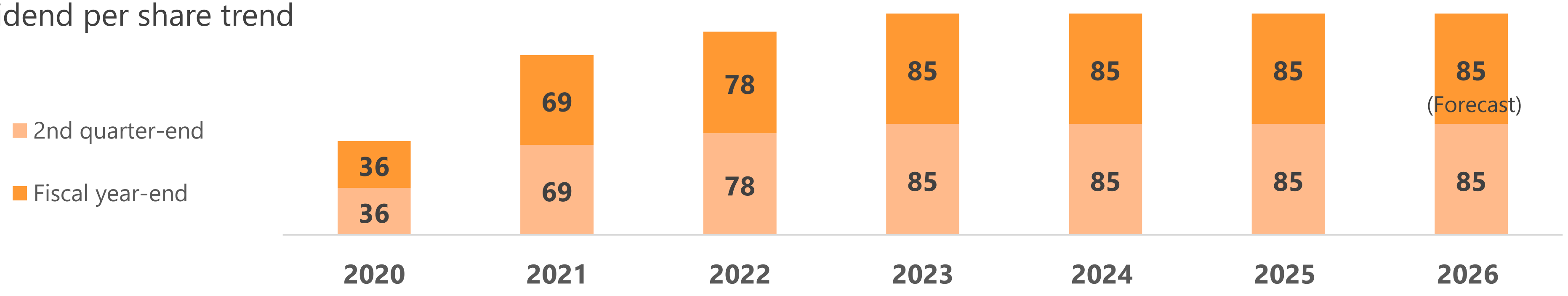
- **Sales Volume**
  - ✓ Gradual market recovery
  - ✓ Accelerated backlog shipments and contributions from new products
- **Selling Price / Cost Ratio**
  - ✓ Significant increase in material costs, mainly semiconductor memory (approx. ¥1.6–1.8bn)
  - ✓ Impact from price optimization
- **SG&A**
  - ✓ MTP-related investments, personnel cost increases and other factors
  - ✓ No change to the annual spending plan at this stage
- **U.S. Tariffs** [1,2]
  - ✓ YoY impact is expected to decline gradually
  - ✓ Expected to have a positive YoY impact in H2 (approx. +¥0.4bn)

Shareholder Returns

- Resolved an interim dividend of ¥85 per share, in line with the initial forecast
- No change to the year-end dividend forecast

	2020	2021	2022	2023	2024	2025	2026 (Forecast)
Dividend amount	¥1.9bn	¥3.8bn	¥4.3bn	¥4.7bn	¥4.7bn	¥4.5bn	¥4.5bn
Share repurchase amount	-	-	¥2.0bn	-	¥5.8bn	-	-
Total return	¥1.9bn	¥3.8bn	¥6.3bn	¥4.7bn	¥10.5bn	¥4.5bn	¥4.5bn
Total return ratio	46.0%	45.0%	68.2%	57.8%	176.2%	208.0%	62.6%
Dividend payout ratio	46.0%	45.0%	48.2%	57.8%	79.2%	208.0% (57.5%[2])	62.6%

Dividend per share trend



1 DOE (Dividend on Equity): Dividends ÷ Consolidated Equity
2 Total return ratio excluding impacts such as impairment losses at subsidiaries

Key Assumptions Underlying the FY12/2026 Forecast

U.S. Additional Tariff Rates

Production Location	Jan.-Feb.	Mar.-Jul.	Aug.-Dec.
Malaysia	19%	10%	10%
China	20%	10%	12.5%
Taiwan	20%	10%	10%
Japan	15%	10%	12.5%
Vietnam	20%	10%	12.5%
Thailand	19%	10%	12.5%
Indonesia	19%	10%	10%

FX Rates (From Q3 FY12/2026)

	Assumptions
USD/JPY	¥158
EUR/JPY	¥185
EUR/USD	1.171

FYR: sensitivity[1, 2]

	Change	Sales	OP
USD/JPY	¥1 weaker	+¥290mn	+¥120mn
EUR/JPY	¥1 weaker	+¥180mn	+¥10mn
EUR/USD	¢1 weaker	-	+¥170mn

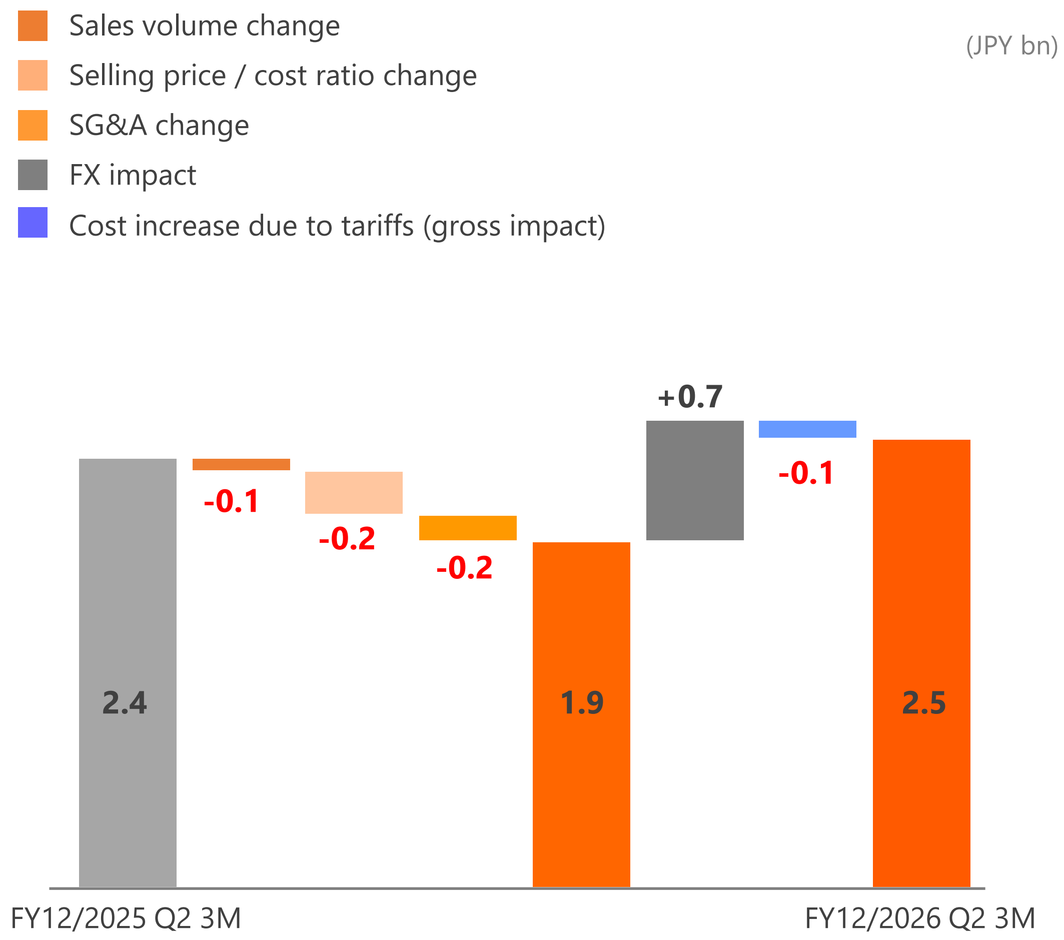
1 Estimated annual impact
2 Actual FX impacts may differ from these assumptions due to currency mix, sales mix and other factors.

Consolidated Financial Results（April-June period, 3 months)

(JPY mn)	FY12/2025 Q2 3M[1] Actual	FY12/2025 Q2 3M[1] % of Sales	FY12/2026 Q2 3M[2] Actual	FY12/2026 Q2 3M[2] % of Sales	FY12/2026 Q2 3M[2] YoY
Sales	**23,263**	100.0%	**26,064**	100.0%	**+12.0%**
Gross Profit	**10,196**	43.8%	**10,984**	42.1%	**+7.7%**
SG&A	**7,814**	33.6%	**8,493**	32.6%	**+8.7%**
Operating Profit	**2,382**	10.2%	**2,490**	9.6%	**+4.5%**
Net Profit[3]	**2,079**	8.9%	**1,769**	6.8%	**-14.9%**
EBITDA	**3,101**	13.3%	**3,229**	12.4%	**+4.1%**

1 Exchange rates for 12/2025 Q2 3M　USD/JPY : 144.62、EUR/JPY : 163.87、EUR/USD : 1.133
2 Exchange rates for 12/2026 Q2 3M　USD/JPY : 159.50、EUR/JPY : 185.45、EUR/USD : 1.163
3 Net profit refers to "net profit attributable to owners of parent"

Operating Profit Factors（YoY）

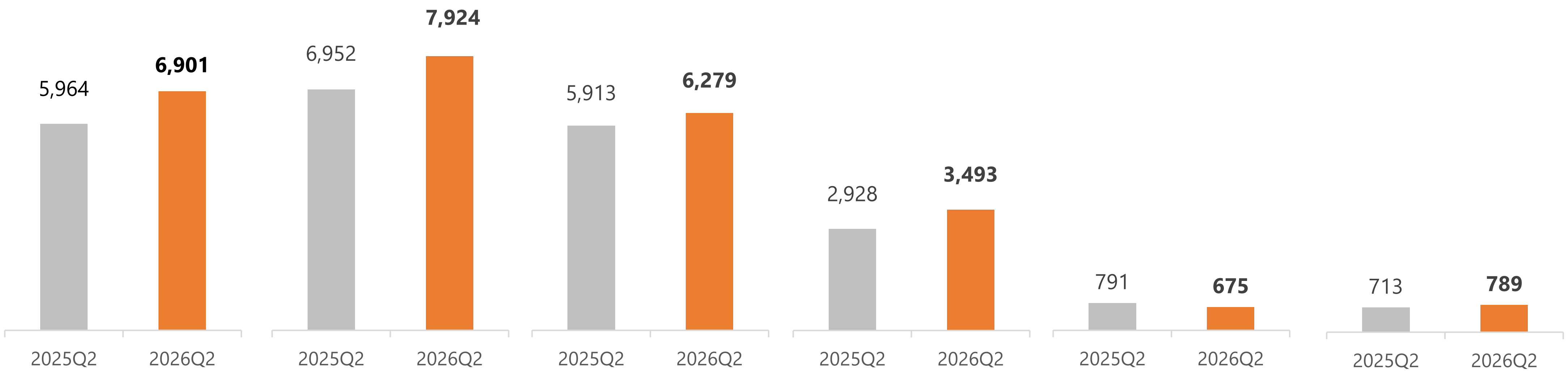


Sales by Category (April-June period, 3 months)

- Keyboards and Percussion & Wind continued to perform solidly
- Guitar-related products saw strong pedal sales, while amplifier products slowed after new product effects ran their course
- Creation-related products increased, driven by accelerated backlog shipments
- Video & Pro Audio remained challenging due to fewer project deliveries and a pre-launch slowdown; recovery is expected from Q3 onward

(JPY mn)

	Keyboards	Perc. & Wind	Guitar-related	Creation-related[2]	Video & Pro Audio[2]	Others	Total
YoY[1]	+15.7% (+3.3%)	+14.0% (+2.1%)	+6.2% (-4.5%)	+19.3% (+7.1%)	-14.7% (-21.3%)	+10.7% (-0.2%)	+12.0% (+0.5%)



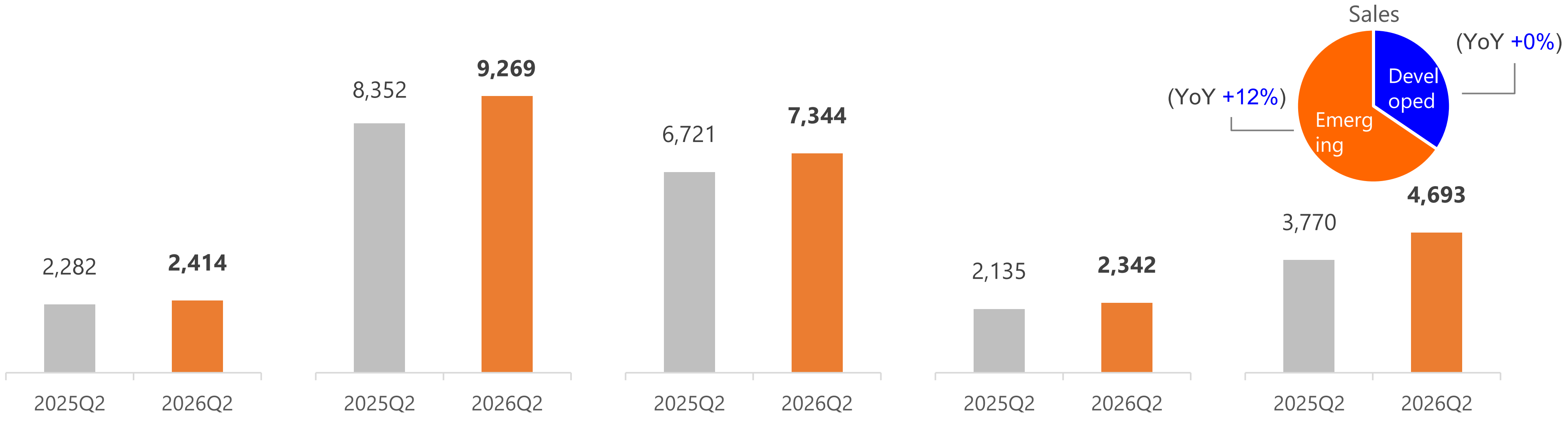
1 Figures in ( ) show comparisons excluding FX impact.
2 Category definitions were slightly revised, and certain items were reclassified. Prior-period comparison figures have also been restated accordingly.

Sales by Region (April-June period, 3 months)

- Underlying demand was broadly unchanged, while last year's price optimization impact had run its course
- The U.S. and Europe were soft in April, but have been recovering since then
- China declined due to a reaction to Q1 sell-in ahead of price adjustments and weak major online sales
- Emerging markets have recovered from Q1 stock shortages

(JPY mn)

	Japan	North America	Europe	China	Others	Total
YoY[1]	+5.8% (+5.8%)	+11.0% (+0.7%)	+9.3% (-3.4%)	+9.7% (-6.1%)	+24.5% (+7.5%)	+12.0% (+0.5%)



1 Figures in ( ) are comparisons excluding the effect of FX rates

Key Consolidated Financials

(JPY mn)	FY2025 Q2	FY2026 Q2
Net sales	45,806	51,697
Gross profit	19,756	21,667
Selling, general and administrative expenses	15,931	17,229
Operating profit	3,825	4,437
Profit before income taxes	3,852	4,041
Profit attributable to owners of parent	3,914	3,199
EBITDA	5,299	5,908
D/E ratio	0.6x	0.5x
Equity ratio	46.8%	51.5%
Debt / EBITDA[1]	2.1x	1.5x
ROE[1]	14.6%	3.5% [16.0%[4]]
ROIC[1]	14.8%	15.1%
R&D expenses	2,528	2,714
Capital expenditures[2]	3,873	1,301
Depreciation expenses	1,474	1,471
Free cash flow[3]	5,880	5,609

1 Debt / EBITDA, ROE and ROIC are calculated on a trailing 12-month basis.
2 Amount of tangible and intangible fixed assets.
3 Free cash flow is the sum of cash from operating activities and cash from investing activities.
4 Excluding one-off expenses related to Drum Workshop (DW) recorded in FY2025.

(JPY mn)	As of Dec. 31, 2025	As of Jun. 30, 2026
Cash and deposits	15,876	16,771
Notes and accounts receivable - trade	13,353	12,210
Inventories	27,321	28,583
Other current assets	2,243	1,767
Total current assets	58,795	59,332
Net property, plant and equipment	14,234	14,444
Goodwill	2	-
Investments and other assets	10,444	10,660
Total non-current assets	24,681	25,105
Total assets	83,477	84,437
Notes and accounts payable - trade	6,841	8,832
Short-term borrowings	1,100	-
Current portion of long-term borrowings	2,570	2,570
Other current liabilities	9,659	8,635
Long-term borrowings	18,490	17,205
Other long-term liabilities	3,452	3,417
Total liabilities	42,113	40,660
Total net assets	41,364	43,777
Total liabilities and net assets	83,477	84,437