Roland DG Corporation

# Consolidated Financial Results for the Nine Months Ended September 30, 2022

November 10, 2022

# Summary

## YoY

**Q3 Overview**

- FX tailwind and solid demand resulted in **sales growth,** but procurement challenges and shipping cost increase resulted in **profit decrease**

**Forecast revision**

- **Downward revision** due to Q3YTD performance and latest Q4 outlook; dividend forecast maintained

# Q3 Financial Summary

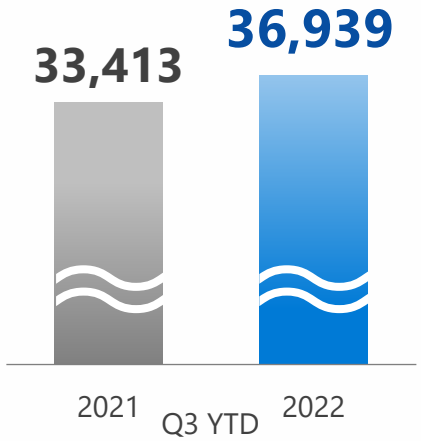
# Sales grew & profit declined

## YoY performance

(Millions of yen)

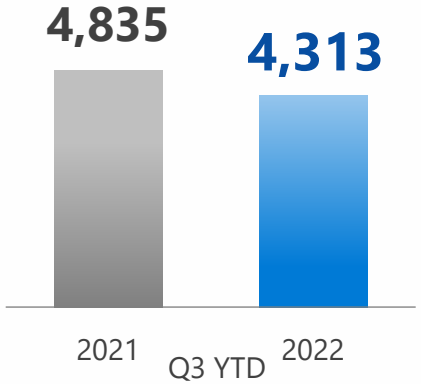
### Net Sales

+10.6%



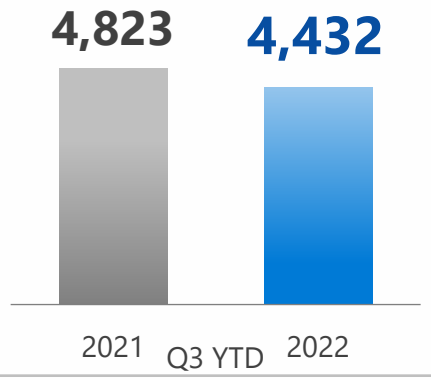

### Operating Profit

(10.8)%




### Ordinary Profit

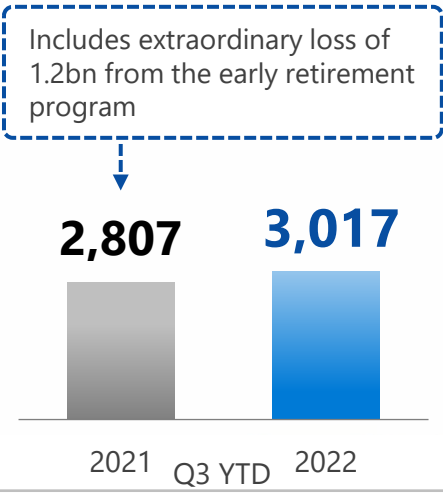
(8.1)%




### Net Profit

+7.5%

Includes extraordinary loss of 1.2bn from the early retirement program




※ Net profit attributable to owners of parent



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# Sales and Operating Profit delta breakdown

## Variance Analysis YoY

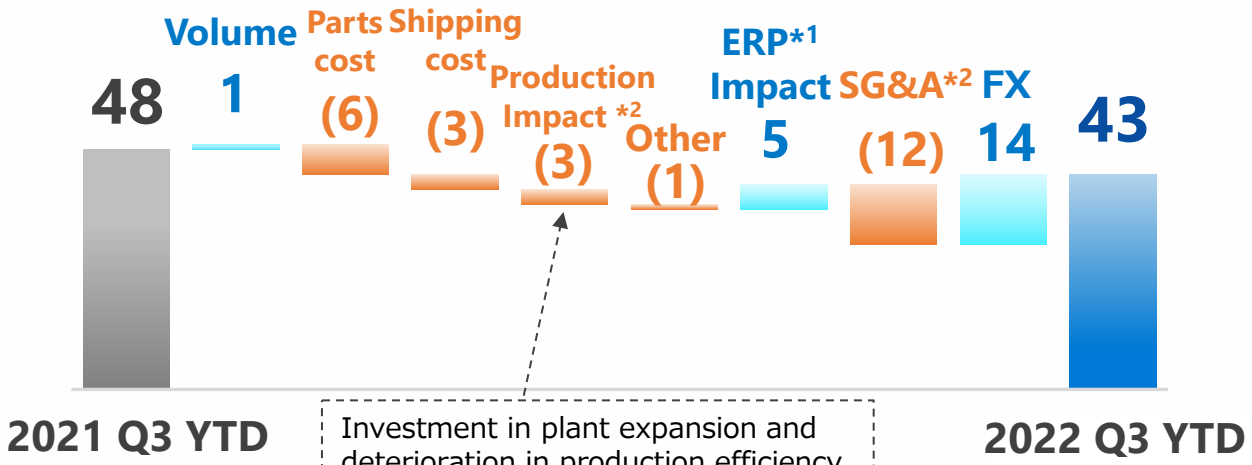
(100 Millions of yen)

**Net Sales**

FX had a large impact but sales increase also contributed to YoY growth

| | | | | |
|---|---|---|---|---|
| Average FX rate (Unit：yen) | USD | 108.50 | 128.06 | 118.0% |
| | EUR | 129.87 | 136.00 | 104.7% |

**Operating Profit**




Investment in plant expansion and deterioration in production efficiency due to parts procurement difficulty

Main increase in SG&A cost
- Personnel +1
- R&D +1
- Ads & promotion +2
- Travel & transportation +2
- Fee +1
- Others +2（shipping, consumables etc）

*1 Early Retirement Program
*2 Excludes impact due to the Early Retirement Program

# Eco-Solvent / UV printers and ink supply increased

## Sales by market YoY

(Millions of yen)

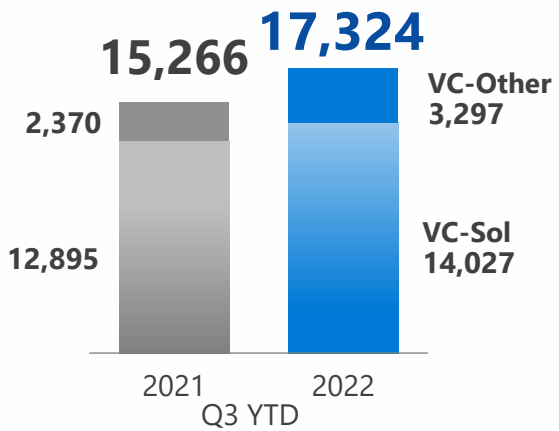
Top : YoY %

Bottom: FX excluded

### Visual Communication

+13.5%

+2.4%

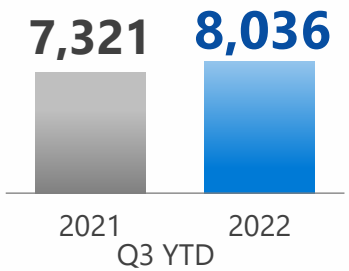



- New eco-solvent printer product for sign market and eco-solvent in sales grew (VC-Solvent)
- LEC2 series and UV ink supplies increased mainly in Europe and the US (VC-Other)

### Digital Fabrication

+9.8%

+0.7%

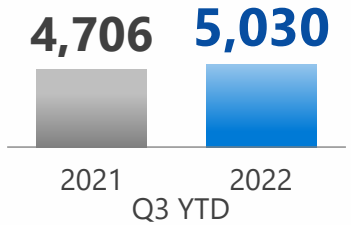



- Sales of the BN-20A desktop eco-solvent printer that was launched in October 2021 were strong.
- Increase in Co-Creation model, LEC2 S Series, by sales geography expansion

### Dental

+6.9%

(1.3)%




- DWX-42W grew in Europe and the US
- The emerging market model DWX-52Di launched in FY21H2 grew. In part of the areas, emerging market model replaced DWX-52D and DWX-52DCi which resulted in a YoY decline

### Service, Software & Others

+7.0%

(0.4)%

- Service parts sales was flat YoY
- Other sales including logistics etc increased

# Solid new Eco-Solvent printers sales in North America

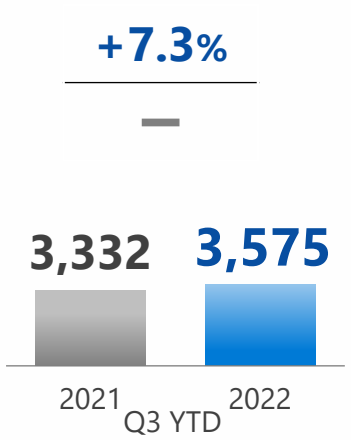
## Sales by Regions YoY

(Millions of yen)

**Top : YoY %**
**Bottom: FX excluded**

### Japan

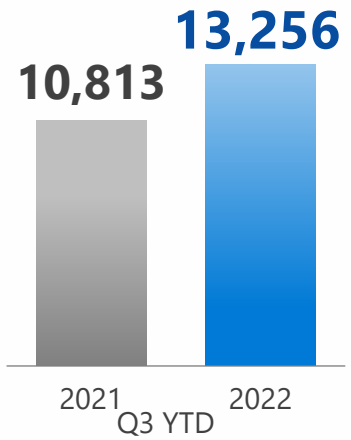
+7.3%
—




- Eco-Solvent printers, mainly new products, grew
- Desktop UV printers and 3D milling machines for retail segment increased
- DWX-4 sales grew due to expansion of insurance coverage range

### North America

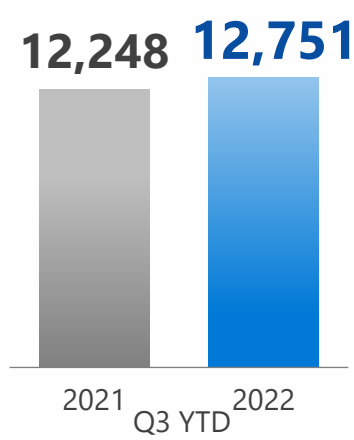
+22.6%
+3.9%




- New Eco-Solvent printer product for sign market and eco-solvent ink sales grew
- BN-20, Desktop Eco-Solvent printer for in-house/small businesses, increased YoY
- Flatbed and roll type Co-Creation UV printers grew

### Europe

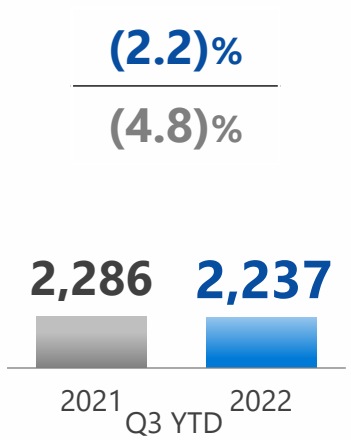
+4.1%
(0.9)%




- New Eco-Solvent printers for sing market and Flatbed type Co-Creation model printer, increased
- Dental sales shrunk YoY but has grown if Russia is excluded

### Asia

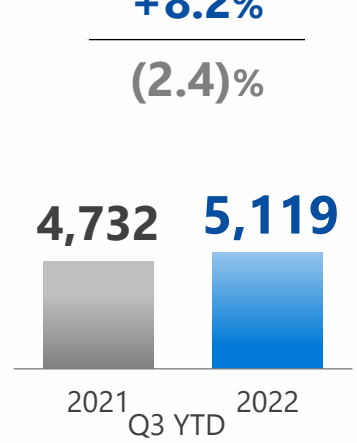
(2.2)%
(4.8)%




- Dental product grew largely in India thanks to sales channel developed
- Sales slowed in China where the zero corona policy has been continued
- Dental grew in ASEAN region

### Others

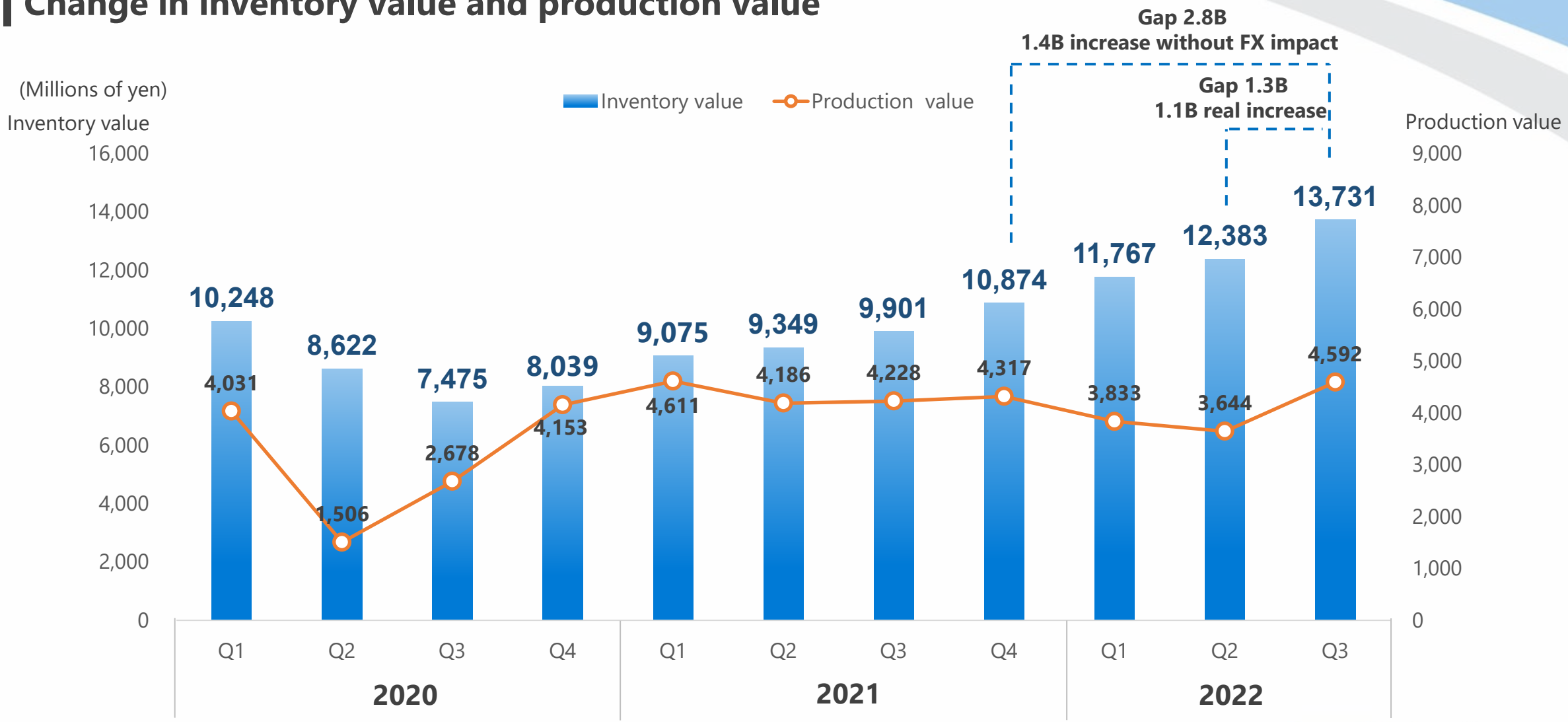
+8.2%
(2.4)%




- Latin America incl Brazil grew YoY
- Dental products grew in Australia and Middle East while Eco-Solvent printers for sign market declined

# Inventory increased due to lower-than-expected sales in Q3 (Jul-Sep)

## Change in inventory value and production value



# Forecast revision

# Q3 (3 month) performance and Q4 outlook

## FY guidance revision: H2 in total to be lower than forecast disclosed in Aug

## (Q4 to partly recover due to new products but not in full)

| Key Factor | Q3 performance vs. previous outlook (as of Aug 2022) | Latest Q4 outlook vs. previous outlook (as of Aug 2022) |
|---|---|---|
| Demand | ↓ • UV printer sales slower than expected<br>• Dental sales slowed and overall capex demand declining in the US and Europe | ↘ • New eco-solvent printer to stay strong but expect weaker sales for other products<br>• Dental sales to slow in advanced economies but to remain solid in emerging market |
| Supply | → • Backorders decreased due to improved supply situation<br>• Shipping logistics situation improving | → • Continue working on parts procurement to enable steady supply<br>• Backorders to further decrease |
| Cost/ Margin | → • Parts costs remain high as expected<br>• Price increase benefit not fully reflected | → • Parts cost to remain high<br>• Benefit of price increase expected to contribute |
| FX | ↑ • Assume weak yen given latest situation<br>【Q3(Jul to Sep) Average】<br>USD：JPY138　EUR：JPY139<br>【Assumption for 2H】<br>USD : JPY131　EUR : JPY135 | ↑ • Weak yen to continue |



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# Revised FY guidance based on Q3 YTD performance and Q4 outlook

## Forecast revision

(Millions of yen)

| | | FY2021 performance | Original Forecast*1 | Previous Forecast*1 | **Revised Forecast*1** | Change of previous forecast | % of previous forecast |
|---|---|---|---|---|---|---|---|
| Net Sales | | 45,095 | 49,400 | 51,900 | **51,000** | (900) | *(1.7)%* |
| Gross Profit | | 23,063 | 25,500 | 26,300 | **25,700** | (600) | *(2.3)%* |
| SGA cost | | 17,007 | 18,200 | 18,700 | **19,000** | 300 | *1.6%* |
| Operating Profit | | 6,056 | 7,300 | 7,600 | **6,700** | (900) | *(11.8)%* |
| Ordinary Profit | | 6,082 | 7,300 | 7,800 | **6,800** | (1,000) | *(12.8)%* |
| Net Profit*2 | | 3,733 | 5,300 | 5,500 | **4,700** | (800) | *(14.5)%* |
| Average FX rate (Unit : yen) | USD | 109.81 | 113 | 127 | **132** | | |
| | EUR | 129.93 | 128 | 135 | **138** | | |

*1 Original Forecast February 14, 2022
Previous Forecast August 5, 2022
Revised Forecast November 10, 2022

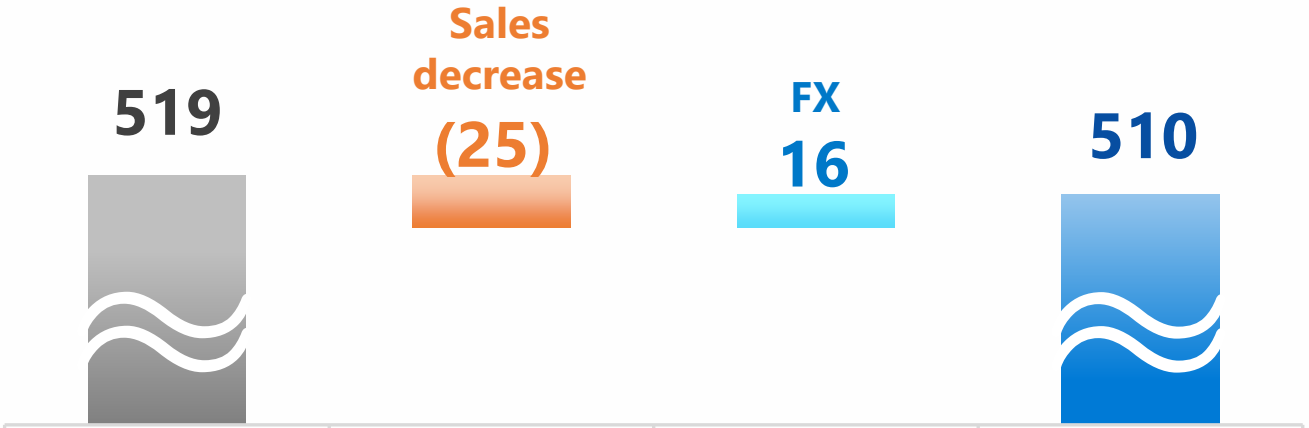
* 2 Net profit attributable to owners of parent

# Sales and Operating Profit delta breakdown

## Forecast revision

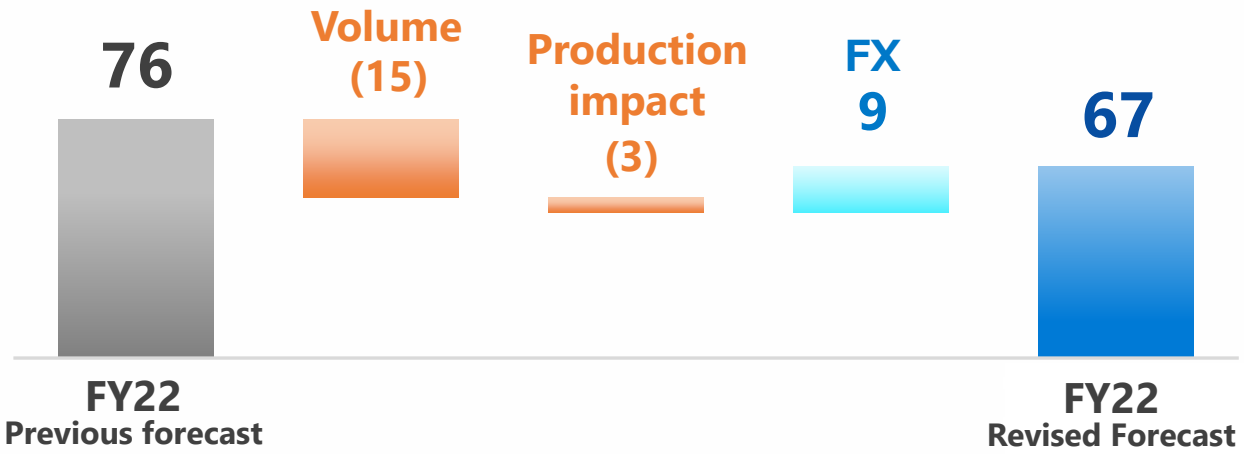
(100 millions of yen)

**Net Sales**




| | | | | |
|---|---|---|---|---|
| Average FX rate (Unit：Yen) | USD | 127 | 132 | 103.9% |
| | EUR | 135 | 138 | 102.2% |

**Operating Profit**



# Revised Forecast (Released on November 10)

- While the new product in eco-solvent is to remain strong, demand expected to be weaker than previous forecast especially in Europe. However, performance expected to improve than Q3 due to impact price increase and weak yen

(Millions of yen)

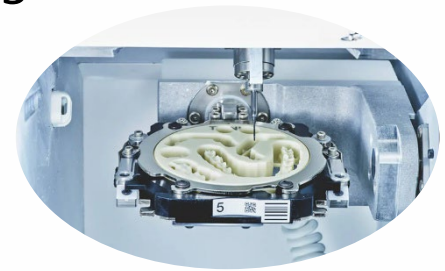
| 2022/12 | Q1 | Q2 | Q3 | Q3 YTD | Q4 forecast (Deduction amount) | Revised forecast |
|---|---|---|---|---|---|---|
| Net Sales | 11,316 | 12,768 | 12,854 | 36,939 | 14,061 | **51,000** |
| Gross Profit | 5,681 | 6,263 | 6,390 | 18,335 | 7,365 | **25,700** |
| SGA cost | 4,387 | 4,868 | 4,766 | 14,022 | 4,978 | **19,000** |
| Operating Profit | 1,293 | 1,395 | 1,624 | 4,313 | 2,387 | **6,700** |
| Ordinary Profit | 1,467 | 1,406 | 1,558 | 4,432 | 2,368 | **6,800** |
| Net Profit* | 925 | 1,009 | 1,082 | 3,017 | 1,683 | **4,700** |

* Net profit attributable to owners of parent

# New Products Expected to contribute beyond （announced 9/1, on sale from 9/7）

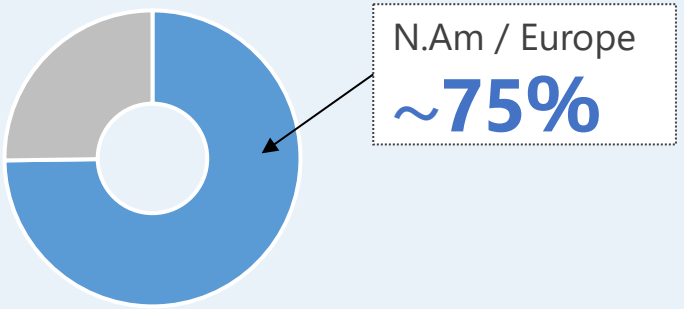
## TOPICS

- Launched dental milling machine DWX-53DC
- Latest high productivity model with disk-changer (successor of DWX-52DCi)
- Improved quality and productivity while maintaining our unique compact design
- Targeted for North America and European markets where efficiency is more in demand



DWX-53DC

DWX-52DCi sales region（by unit）




●Main output

Dental crowns

Bridge

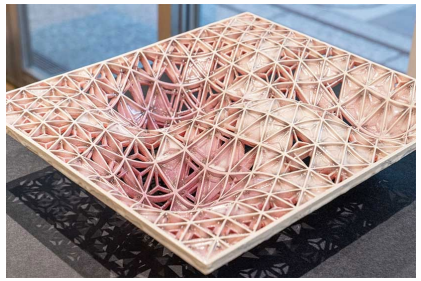
Inlay/Onlay

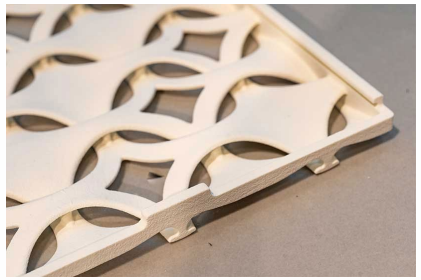
# Growth opportunities 3D printer JV establishment （Released on September 16, 2022）

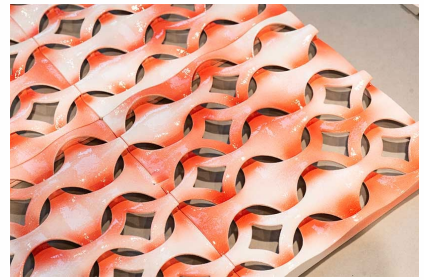
## TOPICS

- Established a binder-jet 3D printing JV in Jingdezhen, China, a world-famous location for pottery
- Our 3D printing (analogue to digital) technology solves issues such as mass production of intricate handmade designs and succession
- Exploring further industries where our technology can be applied

※Binder-jet printing: A 3D printing methodology that jets liquid binders (glues) through print head nozzles on powder materials to create modelled objects.







Sample immediately after printing

Sample after glazing and firing

**Business overview**

| | |
|---|---|
| Product and service | Sales of binder-jet ceramic 3D printers and peripherals<br>Sales of ceramic and supporting materials<br>3D printing service, education & 3D printing experience service |
| Target geography | China: Product and service sales through the joint venture company<br>Global: After 2023 using our existing sales channels |
| Start of business | August 2022 |
| Expected Sales | 309 Million RMB (appx. 6,360 Million JPY assuming 1RMB=20.59JPY) as of 13 September 2022 |

**Overview of the joint venture company**

| | |
|---|---|
| Joint venture company name | CERAWEI TECHNOLOGY CO.,LTD |
| Location | Jingdezhen city, Jiangxi province, China |
| Invested Capital | 2,850,000 US Dollars |
| Shareholding | AMSKY 51%, Jingdezhen Changnan New Area Zhongxi Investment Partnership 24%, AGCC 20%, Roland DG 5% |



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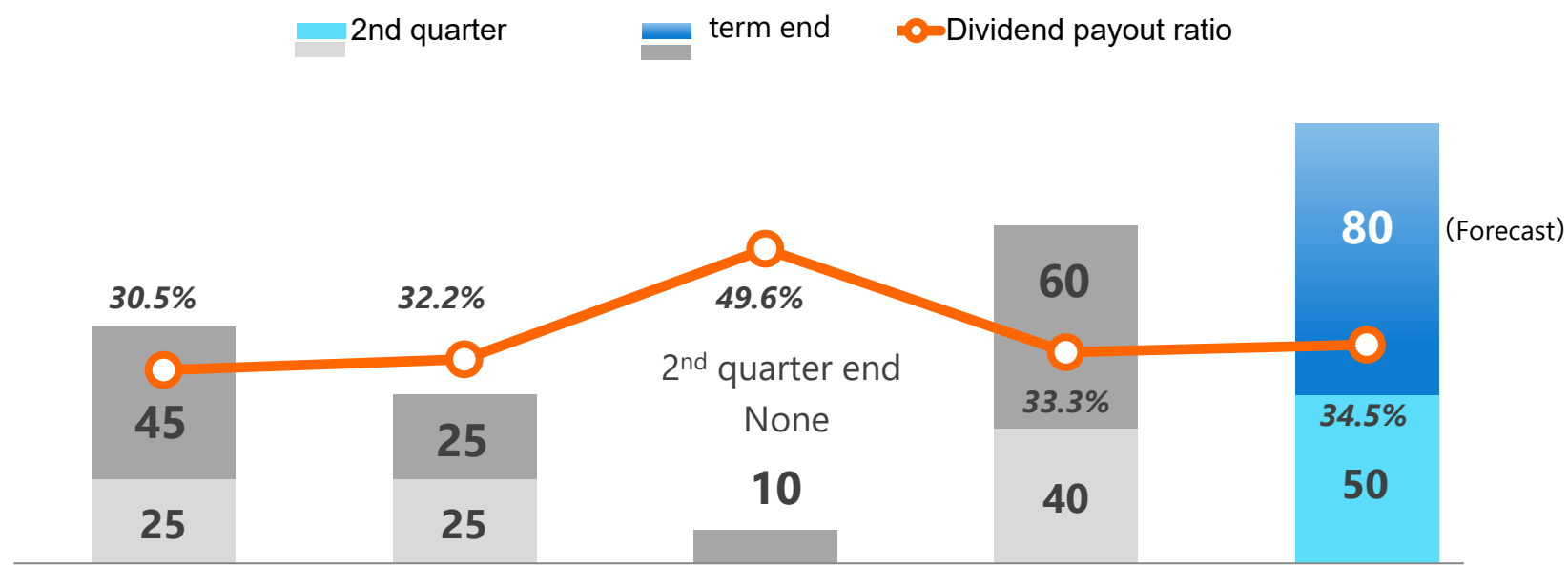
# Dividend Forecast

- Term end dividend expected to be **80 yen**
- Full year dividend forecast is **130 yen**, which translates into **34.5%** payout ratio




Dividend on Equity ratio

**Dividend Policy（FY2021 to FY2023）:** Use the higher of 30% payout ratio to consolidated profit or 2% Dividend on Equity ratio (DOE) as a basis and account for future business development

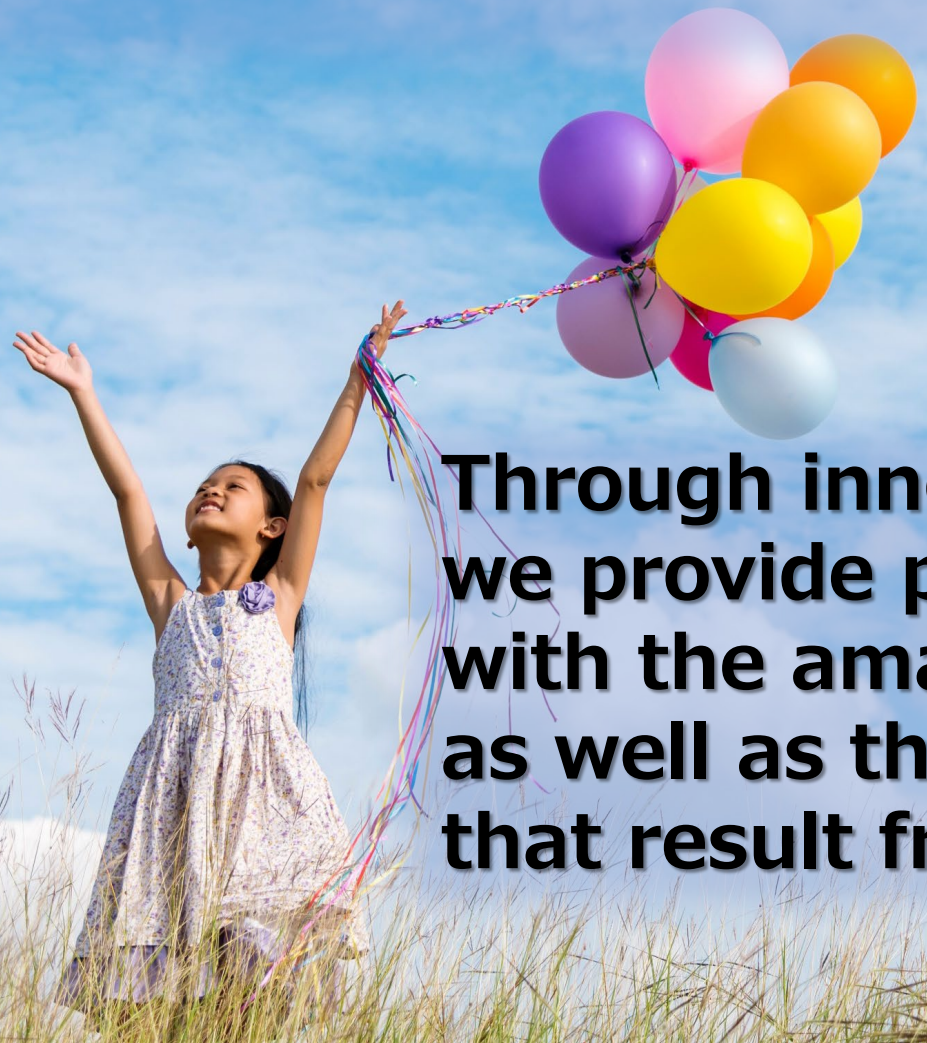
# Decision of Purchase and Retirement of Treasury Stock(Released in November 10)

- Announced 'Notice Regarding Purchase of Treasury Stock and Retirement of Treasury Stock'.
- To improve shareholder return and capital efficiency.
- First own share purchase conducted intra-market*

* Excluding purchase of own shares from Roland Corporation

| | | |
|---|---|---|
| Class of shares to be repurchased | : | Common stock of Roland DG Corporation |
| Total number of shares to be repurchased | : | 400,000 (maximum)<br>(The ratio of the total number of issued share (excluding treasury stock):3.2% ) |
| Total purchase price for repurchase of shares | : | JPY 1 billion (maximum) |
| Repurchase period | : | From November 11,2022 to February 28,2023 |
| Repurchase method | : | Market purchases on the Tokyo Stock Exchange<br>(Discretionary trade by securities companies) |
| Total number of shares to be retirement | : | All shares repurchased |
| Retirement date | : | March 28, 2023 |

# Purpose: To Empower Creativity and Excitement Worldwide



Through innovative digital solutions, we provide people around the world with the amazement and joy of creation, as well as the wow and excitement that result from it.

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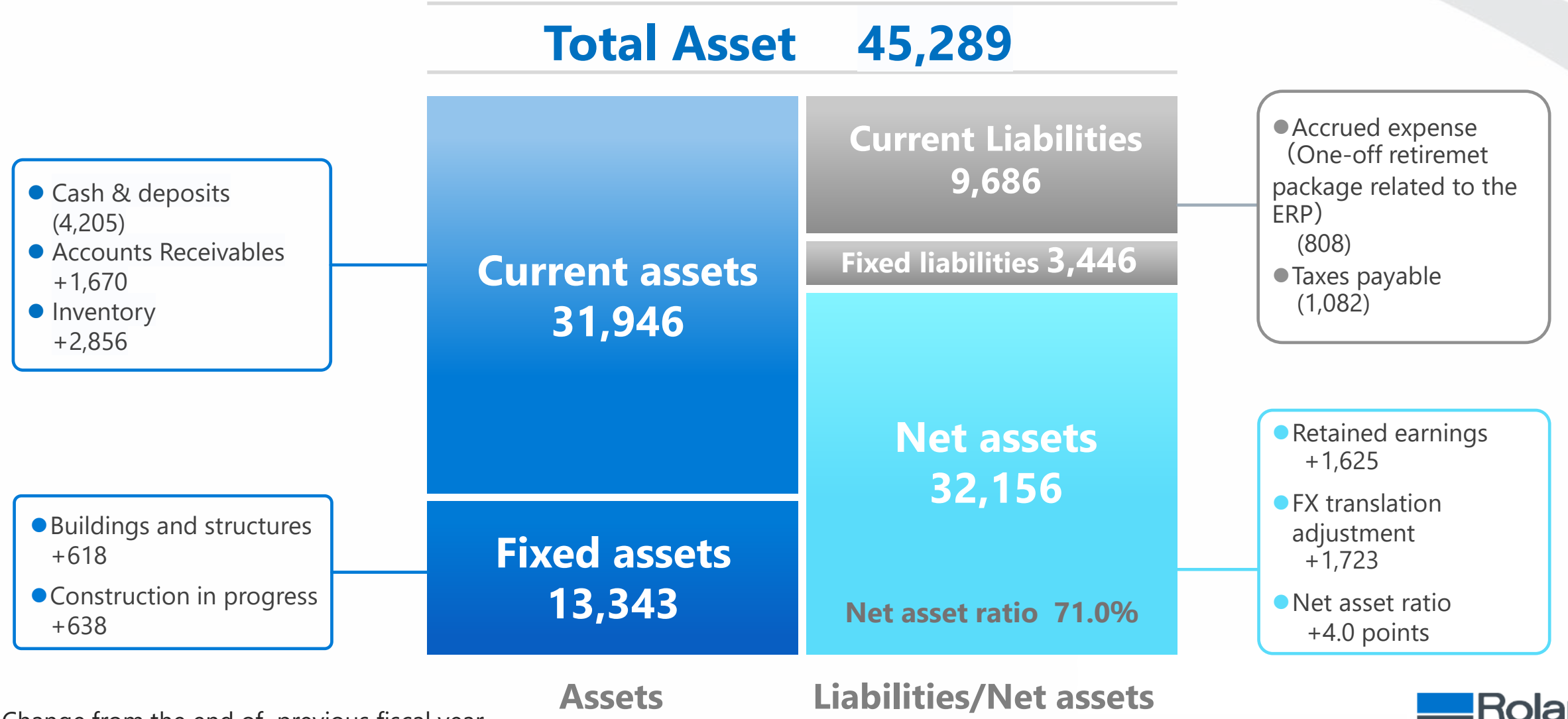
# Appendix

# Balance sheet

## Balance sheet summary （as of 9/30/2022）

(Millions of yen)




※Change from the end of previous fiscal year

# Change in revenue recognition method and treatment of R&D expenses

## 1. Change in revenue recognition method

We have changed the revenue recognition method starting from FY2022Q1. In accordance with the transitional treatment stated in the Revenue Recognition Accounting Principal 89-2, we have not restated the previous fiscal year's financials. The impact on the financials of this change however is minimal.The YoY comparison have been made with financials that have not been restated.

## 2. Change in R&D expense treatment

Due to the completion of the factory migration to thailand, **R&D expenses have been moved from COGS to SG&A** starting from FY2022Q1.
YoY comparison have been made with financials that have been restated.

## 3. Sales Category change

Starting from Q1 this year, to clarify the "Growth Area" and "Maintain Area", we have revised our sales category based on **Markets and Products**. Please see the appendix for details

# Consolidated financial results

(Millions of yen)

* R&D cost previously accounted as COGS has been moved to SG&A from 2022

| | 2021 Q3 YTD | | | | 2022 Q3 YTD | | YoY change | | |
|---|---|---|---|---|---|---|---|---|---|
| | Performance | % of sales | Restated Actual | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Net Sales | 33,413 | - | 33,413 | - | **36,939** | - | 3,526 | *110.6%* | *101.0%* |
| Gross Profit | 14,845 | *44.4%* | **17,090** | *51.1%* | **18,335** | *49.6%* | 1,245 | *107.3%* | *102.6%* |
| SGA cost | 10,009 | *30.0%* | **12,255** | *36.7%* | **14,022** | *38.0%* | 1,767 | *114.4%* | *108.5%* |
| Operating Profit | 4,835 | *14.5%* | 4,835 | *14.5%* | **4,313** | *11.7%* | (521) | *89.2%* | *60.2%* |
| Ordinary Profit | 4,823 | *14.4%* | 4,823 | *14.4%* | **4,432** | *12.0%* | (390) | *91.9%* | *63.1%* |
| Net Profit* | 2,807 | *8.4%* | 2,807 | *8.4%* | **3,017** | *8.2%* | 209 | *107.5%* | *68.1%* |
| EPS (yen) | 225.59 | | 225.59 | | | | | | |
| Average FX rate (Unit : yen) USD | 108.50 | | 108.50 | | 128.06 | | | | |
| Average FX rate (Unit : yen) EUR | 129.87 | | 129.87 | | 136.00 | | | | |

* Net profit attributable to owners of parent

| | | |
|---|---|---|
| Exchange rate Amount of impact | Net sales | 3,199 |
| | Operating Profit | 1,404 |

R&D cost for previous FY moved from COGS to SG&A



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# Consolidated financial results

( Millions of yen )

| | 2021 Q3 YTD | | 2022 Q3 YTD | | YoY change | | |
|---|---|---|---|---|---|---|---|
| Sales by Market | Performance | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Visual Communication | 15,266 | 45.7% | **17,324** | 46.9% | 2,058 | 113.5% | 102.4% |
| Digital Fabrication | 7,321 | 21.9% | **8,036** | 21.8% | 715 | 109.8% | 100.7% |
| Dental | 4,706 | 14.1% | **5,030** | 13.6% | 324 | 106.9% | 98.7% |
| Service, Software & Others | 6,119 | 18.3% | **6,548** | 17.7% | 428 | 107.0% | 99.6% |
| Total | 33,413 | 100.0% | **36,939** | 100.0% | 3,526 | 110.6% | 101.0% |
| Sales by Product | | | | | | | |
| Hardware | 16,772 | 50.2% | **18,454** | 50.0% | 1,682 | 110.0% | 100.3% |
| Supplies | 10,722 | 32.1% | **12,150** | 32.9% | 1,428 | 113.3% | 102.9% |
| Service parts & Others | 5,918 | 17.7% | **6,335** | 17.1% | 416 | 107.0% | 99.4% |
| Sales by Region | | | | | | | |
| Japan | 3,332 | 10.0% | **3,575** | 9.7% | 242 | 107.3% | - |
| North America | 10,813 | 32.4% | **13,256** | 35.9% | 2,442 | 122.6% | 103.9% |
| Europe | 12,248 | 36.6% | **12,751** | 34.5% | 503 | 104.1% | 99.1% |
| Asia | 2,286 | 6.8% | **2,237** | 6.0% | (49) | 97.8% | 95.2% |
| Others | 4,732 | 14.2% | **5,119** | 13.9% | 386 | 108.2% | 97.6% |
| Total | 33,413 | 100.0% | **36,939** | 100.0% | 3,526 | 110.6% | 101.0% |

# Consolidated financial results

## Sales by Product（Old Categories）

（ Millions of yen ）

| | 2021 Q3 YTD | | 2022 Q3 YTD | | YoY change | | |
|---|---|---|---|---|---|---|---|
| | Performance | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Printers | 10,807 | *32.3%* | **12,348** | *33.4%* | 1,540 | *114.3%* | *103.3%* |
| Plotters | 884 | *2.7%* | **811** | *2.2%* | (73) | *91.7%* | *82.9%* |
| 3D Products (DGSHAPE) | 5,079 | *15.2%* | **5,294** | *14.3%* | 215 | *104.2%* | *96.8%* |
| Supplies | 10,722 | *32.1%* | **12,150** | *32.9%* | 1,428 | *113.3%* | *102.9%* |
| Others | 5,918 | *17.7%* | **6,335** | *17.2%* | 416 | *107.0%* | *99.4%* |
| Total | 33,413 | *100.0%* | **36,939** | *100.0%* | 3,526 | *110.6%* | *101.0%* |

# Consolidated financial results (3 months)

| ( Millions of yen ) | 2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | 2022 Q1 | 2022 Q2 | 2022 Q3 | YoY | QoQ |
|---|---|---|---|---|---|---|---|---|---|
| Net Sales | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | **12,854** | *111.1%* | *100.7%* |
| Gross Profit | 5,078 | 6,062 | 5,949 | 5,973 | 5,681 | 6,263 | **6,390** | *107.4%* | *102.0%* |
| % | *49.3%* | *52.5%* | *51.4%* | *51.1%* | *50.2%* | *49.1%* | *49.7%* | *(1.7) P* | *+0.6P* |
| SGA cost | 4,046 | 4,135 | 4,072 | 4,752 | 4,387 | 4,868 | **4,766** | *117.0%* | *97.9%* |
| % | *39.3%* | *35.8%* | *35.2%* | *40.7%* | *38.8%* | *38.1%* | *37.1%* | *+1.9P* | *(1.0) P* |
| Operating Profit | 1,031 | 1,926 | 1,876 | 1,221 | 1,293 | 1,395 | **1,624** | *86.6%* | *116.4%* |
| % | *10.0%* | *16.7%* | *16.2%* | *10.5%* | *11.4%* | *10.9%* | *12.6%* | *(3.6) P* | *+1.7P* |
| Ordinary Profit | 1,108 | 1,950 | 1,763 | 1,258 | 1,467 | 1,406 | **1,558** | *88.4%* | *110.8%* |
| % | *10.8%* | *16.9%* | *15.3%* | *10.8%* | *13.0%* | *11.0%* | *12.1%* | *(3.2) P* | *+1.1P* |
| Net Profit * | (215) | 1,796 | 1,227 | 925 | 925 | 1,009 | **1,082** | *88.2%* | *107.2%* |
| % | – | *15.6%* | *10.6%* | *7.9%* | *8.2%* | *7.9%* | *8.4%* | *(2.2) P* | *+0.5P* |
| EPS(yen) | (17.34) | 144.38 | 98.55 | 74.29 | 74.25 | 81.01 | 86.87 | | |

* Net profit attributable to owners of parent

R&D cost for previous FY moved from COGS to SG&A



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# Consolidated financial results (3 months)

( Millions of yen )

| | 2021 | | | | 2022 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Sales by Market | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | YoY | QoQ |
| Visual Communication | 4,680 | 5,240 | 5,345 | 4,972 | 5,186 | 5,939 | **6,199** | *116.0%* | *104.4%* |
| Digital Fabrication | 2,198 | 2,593 | 2,529 | 2,687 | 2,509 | 2,840 | **2,686** | *106.2%* | *94.6%* |
| Dental | 1,373 | 1,756 | 1,576 | 1,895 | 1,529 | 1,879 | **1,621** | *102.8%* | *86.3%* |
| Service, Software & Others | 2,046 | 1,958 | 2,114 | 2,127 | 2,090 | 2,110 | **2,347** | *111.0%* | *111.3%* |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | **12,854** | *111.1%* | *100.7%* |
| Sales by Product | | | | | | | | | |
| Hardware | 5,063 | 5,953 | 5,756 | 5,896 | 5,843 | 6,472 | **6,138** | *106.6%* | *94.8%* |
| Supplies | 3,247 | 3,693 | 3,781 | 3,715 | 3,485 | 4,236 | **4,427** | *117.1%* | *104.5%* |
| Service parts & Others | 1,987 | 1,902 | 2,028 | 2,070 | 1,987 | 2,059 | **2,288** | *112.8%* | *111.1%* |
| Sales by Region | | | | | | | | | |
| Japan | 1,167 | 1,051 | 1,113 | 1,201 | 1,347 | 1,063 | **1,164** | *104.5%* | *109.5%* |
| North America | 3,103 | 3,983 | 3,725 | 3,202 | 3,859 | 4,752 | **4,644** | *124.7%* | *97.7%* |
| Europe | 3,739 | 4,162 | 4,346 | 4,919 | 3,880 | 4,414 | **4,456** | *102.5%* | *101.0%* |
| Asia | 723 | 808 | 755 | 943 | 772 | 700 | **765** | *101.3%* | *109.3%* |
| Others | 1,564 | 1,543 | 1,624 | 1,415 | 1,455 | 1,839 | **1,824** | *112.3%* | *99.2%* |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | **12,854** | *111.1%* | *100.7%* |

# Consolidated financial results (3 months)

## Sales by Product (Old Categories)

( Millions of yen )

| | 2021 | | | | 2022 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | YoY | QoQ |
| Printers | 3,232 | 3,777 | 3,797 | 3,604 | 3,840 | 4,334 | **4,173** | *109.9%* | *96.3%* |
| Plotters | 336 | 283 | 265 | 324 | 305 | 264 | **241** | *90.8%* | *91.2%* |
| 3D Products (DGSHAPE) | 1,494 | 1,892 | 1,692 | 1,967 | 1,697 | 1,873 | **1,723** | *101.8%* | *92.0%* |
| Supplies | 3,247 | 3,693 | 3,781 | 3,715 | 3,485 | 4,236 | **4,427** | *117.1%* | *104.5%* |
| Others | 1,987 | 1,902 | 2,028 | 2,070 | 1,987 | 2,059 | **2,288** | *112.8%* | *111.1%* |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | **12,854** | *111.1%* | *100.7%* |



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# FY2022 Forecast

※Released on November 10, 2022

(Millions of yen)

| | 2021 | | 2022 | | | | YoY change | |
|---|---|---|---|---|---|---|---|---|
| | Performance | % of sales | Original forecast | Previous forecast | Revised forecast | % of sales | % of sales | Change |
| Net Sales | 45,095 | *100.0%* | 49,400 | 51,900 | **51,000** | *100.0%* | 5,904 | *113.1%* |
| Gross Profit | 23,063 | *51.1%* | 25,500 | 26,300 | **25,700** | *50.4%* | 2,636 | *111.4%* |
| SGA cost | 17,007 | *37.7%* | 18,200 | 18,700 | **19,000** | *37.3%* | 1,992 | *111.7%* |
| Operating Profit | 6,056 | *13.4%* | 7,300 | 7,600 | **6,700** | *13.1%* | 643 | *110.6%* |
| Ordinary Profit | 6,082 | *13.5%* | 7,300 | 7,800 | **6,800** | *13.3%* | 717 | *111.8%* |
| Net Profit*1 | 3,733 | *8.3%* | 5,300 | 5,500 | **4,700** | *9.2%* | 966 | *125.9%* |
| EPS (yen) | 299.88 | | 425.42 | 441.34 | 377.14 | | | |
| Average FX rate (Unit : yen) USD | 109.81 | | 113.00 | 127.00 | 132.00 | | | |
| Average FX rate (Unit : yen) EUR | 129.93 | | 128.00 | 135.00 | 138.00 | | | |

*1 Net profit attributable to owners of parent

R&D cost for previous FY moved from COGS to SG&A

| | | USD | EUR |
|---|---|---|---|
| Currency Sensitivity (based on 2021 results) | Net sales | 140 | 117 |
| | Operating Profit | 64 | 74 |



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# FY2022 Forecast

※Released on November 10, 2022

(Millions of yen)

| | 2021 | | 2022 | | | | | YoY change | |
|---|---|---|---|---|---|---|---|---|---|
| Sales by Markets | Performance | % of sales | Original | Previous | Revised | Change from Previous forecast | % of sales | Change | Ratio |
| Visual Communication | 20,238 | *44.9%* | 22,600 | 23,400 | **23,700** | 300 | *46.5%* | 3,461 | *117.1%* |
| Digital Fabrication | 10,008 | *22.2%* | 11,200 | 12,150 | **11,200** | (950) | *22.0%* | 1,191 | *111.9%* |
| Dental | 6,601 | *14.6%* | 7,250 | 7,850 | **7,300** | (550) | *14.3%* | 698 | *110.6%* |
| Service, Software & Others | 8,247 | *18.3%* | 8,350 | 8,500 | **8,800** | 300 | *17.3%* | 552 | *106.7%* |
| Total | 45,095 | *100.0%* | 49,400 | 51,900 | **51,000** | (900) | *100.0%* | 5,904 | *113.1%* |
| Sales by Products | | | | | | | | | |
| Hardware | 22,668 | *50.3%* | 26,800 | 27,800 | **26,050** | (1,750) | *51.1%* | 3,381 | *114.9%* |
| Supplies | 14,437 | *32.0%* | 14,400 | 15,850 | **16,400** | 550 | *32.2%* | 1,962 | *113.6%* |
| Service parts & Others | 7,989 | *17.7%* | 8,200 | 8,250 | **8,550** | 300 | *16.8%* | 560 | *107.0%* |
| Sales by Regions | | | | | | | | | |
| Japan | 4,533 | *10.0%* | 4,850 | 4,850 | **4,850** | 0 | *9.5%* | 316 | *107.0%* |
| North America | 14,015 | *31.1%* | 16,450 | 18,500 | **18,500** | 0 | *36.3%* | 4,484 | *132.0%* |
| Europe | 17,168 | *38.1%* | 17,600 | 17,800 | **17,400** | (400) | *34.1%* | 231 | *101.4%* |
| Asia | 3,230 | *7.2%* | 3,750 | 3,500 | **3,000** | (500) | *5.9%* | (230) | *92.9%* |
| Others | 6,148 | *13.6%* | 6,750 | 7,250 | **7,250** | 0 | *14.2%* | 1,101 | *117.9%* |
| Total | 45,095 | *100.0%* | 49,400 | 51,900 | **51,000** | (900) | *100.0%* | 5,904 | *113.1%* |

# FY2022 Forecast

※ Released on November 10, 2022

## Sales by Product (Old Category)

（Millions of yen）

| | 2021 | | 2022 | | | | | YoY change | |
|---|---|---|---|---|---|---|---|---|---|
| | Performance | % of sales | Original | Previous | Revised | Change from Previous forecast | % of sales | Change | Ratio |
| Printers | 14,411 | *32.0%* | 17,550 | 18,200 | **17,450** | (750) | *34.2%* | 3,038 | *121.1%* |
| Plotters | 1,209 | *2.7%* | 1,250 | 1,250 | **1,000** | (250) | *2.0%* | (209) | *82.7%* |
| 3D Products (DGSHAPE) | 7,047 | *15.6%* | 8,000 | 8,300 | **7,600** | (700) | *14.9%* | 552 | *107.8%* |
| Supplies | 14,437 | *32.0%* | 14,400 | 15,900 | **16,400** | 500 | *32.1%* | 1,962 | *113.6%* |
| Others | 7,989 | *17.7%* | 8,200 | 8,250 | **8,550** | 300 | *16.8%* | 560 | *107.0%* |
| Total | 45,095 | *100.0%* | 49,400 | 51,900 | **51,000** | (900) | *100.0%* | 5,904 | *113.1%* |

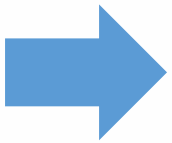
# Change in sales disclosure category

## From product items to market based categorization

Change categorization to market (business) base from Q1

- Clarify growth area to allocate necessary resource
- Capture trend by business to enable flexible strategy development and execution

| Sales by product |
| --- |
| Printers |
| Plotters |
| 3D Products (DGSHAPE) |
| Supplies |
| Others |



| Sales by market |
| --- |
| Visual Communication |
| Digital Fabrication |
| Dental |
| Service, Software & Others |

| Sales by product |
| --- |
| Hardware |
| Supplies |
| Service parts & Others |



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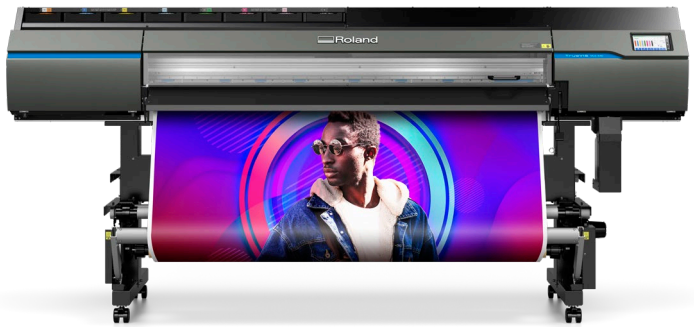
# New product category overview

| Market | Customer / User | Key Products | Uses and Applications |
|---|---|---|---|
| Visual Communication – VC-Solvent | ➢ Sign shops<br>➢ Printing shops | ➢ Solvent printers<br>➢ Solvent inks | ➢ Outdoor sign<br>➢ Store interior/displays<br>➢ Banners<br>➢ Car wrapping |
| Visual Communication – VC-Other | ➢ Sign shops<br>➢ Printing shops<br>➢ Print / design companies | ➢ UV printers<br>➢ UV inks<br>➢ Flat UV Printer<br>➢ Textile printers<br>➢ Large format cutters | ➢ Out/indoor sign<br>➢ Stickers and labels<br>➢ Design prototypes<br>➢ Textile / apparel |
| Digital Fabrication | ➢ Small/semi- industrial business<br>➢ Retail stores<br>➢ Sole business owners | ➢ Small solvent printers<br>➢ Small UV printers<br>➢ UV inks<br>➢ 3D milling machines, Engravers<br>➢ Metal printers<br>➢ Small cutting machines<br>➢ Customizel, New area (Co-Creation) | ➢ Personalized goods<br>➢ Gift, novelties<br>➢ Iron prints<br>➢ Customization usage<br>➢ Parts, design prototyping |
| Dental | ➢ Dental labs<br>➢ Dental clinics | ➢ Dental milling machines<br>➢ Dental Supply | ➢ Dental crowns<br>➢ Inlays<br>➢ Denture<br>➢ Abatement |
| Service, Software & Others | ➢ Distributors<br>➢ Customers | ➢ Service parts incl. Printer heads<br>➢ Service and maintenance | |

# Products by New Category

VC-Solvent | VC-Other | Digital Fabrication | Dental | Service, Software & Others

Solvent printers




TrueVIS

VG3-640 VG3-540 SG3-540 SG3-300

Outdoor sign

Car wrapping

Store interior/displays

Stickers and labels

Banner ads

Floor signs

Wallpaper

Iron prints

# Products by New Category

VC-Solvent | VC-Other | Digital Fabrication | Dental | Service, Software & Others

## UV Printer (Roll)

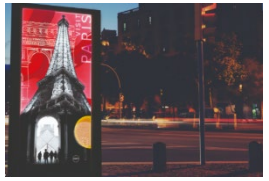
LEC2-640 LEC2-330

Posters

Labels

Packages

Displays


Electric sign

Window display

Package films

Canvas art

## UV Printer (Flat)

IU-1000F

## Textile printer

XT-640

Apparel / textile

Apparel / soft sign

## Large format cutters

GR2-640 GR2-540

Signage

Window films

# Products by New Category

VC-Solvent | VC-Other | Digital Fabrication | Dental | Service, Software & Others

Desktop UV Printer

LEF2-300

Desktop Solvent printer

BN-20A

Phone Case

Photo frame

Iron Print

Novelties

Key holder

Stickers

3D milling

MDX-50

Medal Printer

MPX-95

Prototype

Custom goods

PParts prototype

Gift

Customization/New

LEC2 S-Series

SF-200

# Products by New Category

VC-Solvent | VC-Other | Digital Fabrication | Dental | Service, Software & Others

5-axis dry milling

DWX-52D

With Disk changer
(increased productivity)

DWX-53DC

Crowns

Bridges

Dentures

4-axis dry milling
(Compact)

DWX-4

Pin material milling

4-Axis wet milling

DWX-42W

Abatement milling
(Implant base)

# Products by New Category

| VC-Solvent | VC-Other | Digital Fabrication | Dental | Service, Software & Others |
|---|---|---|---|---|

**Service parts incl. heads**

Roland DG Care

**Service & Maintenance**

Software
(Future revenue stream)

Roland DG Connect
for Everything Creative

DGSHAPE CLOUD

The information pertaining to our business plans and forecasts that has been provided in this presentation contains forward-looking statements that are based on the plans and prospects of the Company at this point in time. The actual business results could be significantly different from those stated in this presentation due to changes in conditions.  As such, please be advised that it cannot be guaranteed that these statements will not differ materially from actual results.