

# Consolidated Financial Results for the Nine Months Ended September 30, 2018 [Japanese GAAP]



November 6, 2018

Company name: Roland DG Corporation

Securities Code: 6789

URL: www.rolanddg.com

Stock exchange listing: Tokyo Stock Exchange

Representative: Hidenori Fujioka, President

Contact: Toshiharu Uwai, Executive Officer and President of Corporate Division

Phone: +81-53-484-1400

Scheduled date of filing quarterly securities report: November 7, 2018

Scheduled date of commencing dividend payments: –

Availability of supplementary briefing material on quarterly consolidated financial results: Available

Schedule of quarterly consolidated financial results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Nine Months Ended September 30, 2018 (From January 1, 2018 to September 30, 2018)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Nine months ended September 30, 2018	31,206	(1.9)	2,846	10.7	2,707	6.5	1,832	115.8
Nine months ended September 30, 2017	31,799	(3.4)	2,571	(28.3)	2,541	(22.1)	849	(61.8)

(Note) Comprehensive income: Nine months ended September 30, 2018: 1,679 million yen [51.3%]

Nine months ended September 30, 2017: 1,109 million yen [29.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2018	146.11	–
Nine months ended September 30, 2017	67.84	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of September 30, 2018	36,373	23,575	64.8	1,877.86
As of December 31, 2017	36,570	22,521	61.6	1,798.32

(Reference) Equity: As of September 30, 2018: 23,575 million yen

As of December 31, 2017: 22,521 million yen

## 2. Dividends

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2017	—	25.00	—	35.00	60.00
Fiscal year ending December 31, 2018	—	25.00	—		
Fiscal year ending December 31, 2018 (Forecast)				30.00	55.00

(Note) Revision of dividend forecasts from recently announced figures: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2018 (From January 1, 2018 to December 31, 2018) (% indicates changes from the previous corresponding period)

	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
Full year	43,600	0.1	3,400	(11.8)	3,200	(15.9)	2,200	14.7	175.67

(Note) Revision of financial results forecasts from recently announced figures: No

### \* Notes

(1) Significant changes of subsidiaries during the nine months ended September 30, 2018 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Adoption of special accounting methods for preparing Quarterly Consolidated Financial Statement: No

(3) Changes in accounting policies, changes in accounting estimates and corrections of errors

1) Changes in accounting policies due to the revision of accounting standards: No

2) Any changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Corrections of errors: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

Nine months ended September 30, 2018	12,656,311 shares
Fiscal year ended December 31, 2017	12,656,311 shares

2) Total number of treasury shares at the end of the period:

Nine months ended September 30, 2018	102,095 shares
Fiscal year ended December 31, 2017	132,595 shares

3) Average number of shares during the period:

Nine months ended September 30, 2018	12,544,949 shares
Nine months ended September 30, 2017	12,519,805 shares

(Note) The total number of treasury shares at the end of the nine months ended September 30, 2018 and at the end of the fiscal year ended December 31, 2017 includes 101,900 shares and 132,400 shares of the Company held by the Director Stock Benefit Trust and J-ESOP Trust, respectively. The number of treasury shares excluded from calculation of the average number of shares during the period for the nine months ended September 30, 2018 and ended September 30, 2017 includes 111,167 shares and 136,311 shares of the Company held by the Director Stock Benefit Trust and J-ESOP Trust, respectively.

\* These consolidated financial results are outside the scope of audit by Certified Public Accountants or an audit corporation.

\* Explanation of the proper use of financial results forecast and other notes

Financial results forecast was prepared based on available information at the time of the release of this document, and the Company does not in any way guarantee the achievement of the projections. Actual results may be different from the projections due to various factors. For the notes concerning the use of financial results forecast, please refer to “Explanation of Future Forecast Information such as Consolidated Performance Forecast” on page 8.

## Table of Contents of Appendix

1. Results of Operations	5
(1) Analysis of Results of Operations	5
(2) Explanation of Financial Position	8
(3) Explanation of Future Forecast Information such as Consolidated Performance Forecast	8
2. Consolidated Financial Statements and Primary Notes	9
(1) Consolidated Balance Sheets	9
(2) Consolidated Statements of Operations and Comprehensive Income	11
(3) Notes on Consolidated Financial Statements	14
(Notes on Going Concern Assumption)	14
(Notes in Case of Significant Changes in Shareholders' Equity)	14
(Significant Subsequent Events)	14
3. Other	15
Litigation, etc.	15

## 1. Results of Operations

### (1) Analysis of Results of Operations

During the nine months ended September 30, 2018 (from January 1, 2018 to September 30, 2018), the world economy continued to expand moderately owing to factors including higher capital investment and personal consumption in the United States and an improvement in employment trends and increased capital investment in Japan, although it is necessary to pay close attention to trade friction due to protectionist policy trends in the United States and the effects of fluctuations in financial and capital markets.

Although the group formulated a five-year medium-term business plan beginning in FY 2016 and was working toward its achievement, as it has become apparent that business results will substantially differ from initial targets, performance goals for the final fiscal year and the initiatives to achieve them have been revised, and the “Notice of Revision of Medium-Term Business Plan” was announced on August 8, 2018. Specifically, the period until the final fiscal year (fiscal year ending December 31, 2020) has been positioned as a transitional period toward a new growth stage, and emphasis will be placed on changing the business portfolio and enhancing operational effectiveness, with “expanding growing markets,” “stopping the down trend of sales of printers in the sign market,” and “improving profitability” as key issues. Among these, in “expanding growth markets,” fields of focus has been revised and reselected to the three businesses of the “Digital Printing Business,” which focuses on the four markets of Signage (sign and display printing), Retail, Multi-Use Printing, and Textiles; the “COTO Business,” which has been developed from retail to provide solutions to retail businesses and service businesses that capture needs for personalized goods; and the “DGSHAPE Business,” which targets the 3D digital fabrication and dental markets. Business operations under this new structure began on September 1, 2018. By further clarifying focus areas and allocation of management resources and swift business operations with speedy decision-making that accurately grasp market changes, the group will work to expand growth areas and create new markets.

During the nine months ended September 30, 2018, the group focused on expansion in the growth areas of the dental market and the retail market. In the dental market, we engaged in activities toward regional expansion and share expansion, including enhancing distributors and solutions proposals in collaboration with CAD/CAM software vendors. We are also working to enhance service and support to enable customers to purchase products with peace of mind, through measures such as actively implementing repair and maintenance service training at distributors. In the retail market, we introduced UV printers to retailers providing in-store decorative services for smartphone cases and home appliances, etc., in addition to small-scale plants engaging in creating novelties and original products. Measures in the retail market include horizontal expansion from Europe to various other global regions. In North America, we are beginning to see results due to improved sales and proposal abilities from establishing a dedicated team. Furthermore, as there are needs for production of personalized goods in a wide range of industries such as retail and services, and we will respond to customer needs by providing new businesses utilizing products including printers, 3D products, and software. Meanwhile, in our conventional mainstay sign market, although the competitive environment continues to be fierce, we continued to work toward a recovery in printer sales through sales promotion campaigns in various regions with the objective of maintaining our customer base.

As a result of these initiatives, although sales of 3D products increased owing to the expansion of the dental market, sales of printers mainly for the sign market were sluggish, and sales for the nine months ended September 30, 2018 were slightly below the same period of the previous term, decreasing by 1.9% to 31,206 million yen. Cost of sales improved 0.2% compared with the same period of the previous term. Selling, general and administrative expenses were lower than the same period of the previous term, mainly due to lower personnel expenses and advertising and promotion expenses. As a result, operating profit increased by 10.7% compared with the same period of the previous term to 2,846 million yen, and ordinary profit increased by 6.5% compared with the same period of the previous term to 2,707 million yen. Additionally, although extraordinary losses including the disposal of software assets and loss on sales and retirement of non-current assets were recorded during the current term, as extraordinary losses for the settlement package of a patent infringement case in the United States were recorded during the same period of the previous term, profit attributable to owners of parent was 1,832 million yen, increasing by 115.8%.

The exchange rates for major currencies during the nine months ended September 30, 2018 (average rate during the period from January 2018 to September 2018) were 109.62 yen to the U.S. dollar (111.93 yen for the same period of the previous term) and 131.00 yen to the euro (124.59 yen for the same period of the previous term).

As the business of the Company and its consolidated subsidiaries is the manufacture and sale of computer peripheral devices and there are no other segments, it is represented as a single segment. Sales by product are as follows.

#### Net sales by product

(Millions of Yen)

Product	Nine months ended September 30, 2017		Nine months ended September 30, 2018		Changes	Changes in composition ratio (%)	Year-on year change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)			
Printers	11,549	36.3	10,339	33.1	(1,210)	(3.2)	89.5
Plotters	1,059	3.3	998	3.2	(61)	(0.1)	94.2
3D products	3,518	11.1	3,952	12.7	433	1.6	112.3
Supplies	10,241	32.2	10,183	32.6	(58)	0.4	99.4
Others	5,430	17.1	5,734	18.4	303	1.3	105.6
Total	31,799	100.0	31,206	100.0	(593)	—	98.1

#### [Printers]

In the sign market, the market has matured and competition has become fierce as major manufacturers have entered the market, and customer needs are shifting from high-price products to low-price products. In order to maintain our customer base in this market, we continued promotional campaigns in each region, and made efforts to recover sales of printers. In addition, in retail markets, we proposed desktop UV printers to small-scale plants engaging in creating original products such as novelties, and small retailers engaging in sales of products such as smartphone cases and home appliances, as we focused on expanding our businesses.

In the sign market during the nine months ended September 30, 2018, sales of UV printers suitable for print on large boards such as acrylic and foam board signs, and cardboard display fixtures increased mainly in Europe and the United States while sales of the TrueVIS VG-640/540 and SG-540/300 mainstay models decreased. In the retail market, despite sales of the LEF-12i small UV printer and LEF-300, notable for its high productivity, exceeding sales during the same period of the previous term, sales of the LEF-200 declined, and small UV printers for retail were lower than the same period of the previous term.

As a result of these factors, printer sales were 10,339 million yen, or 89.5% of the same period of the previous fiscal year mainly due to a decrease of printers in the sign market.

#### [Plotters]

Sales of large format cutters for the sign market lacked strength. Consequently, plotter sales were 998 million yen, or 94.2% of the same period of the previous fiscal year.

#### [3D products]

While securing a solid footing in the 3D digital fabrication market such as the manufacturing and engraving industries as well as educational institutions, DGSHAPE Corporation, which engages in the 3D business, is expanding our business by creating new value propositions in a wider range of fields, in addition to accelerating expansion in the growing dental market. In the dental market, we introduced two new dental milling machine models in February 2018, the DWX-52DCi, which incorporates an automatic disc changer function and comes with

the DWINDEX dedicated management support software for dental technician offices, and the DWX-52D, which is compatible with fiber reinforced resin and other new materials. Displays at dental industry exhibitions at various locations have been well received. Additionally, we are also working to enhance service and support to enable customers to purchase products with peace of mind, through measures such as study sessions and actively implementing repair and maintenance service training at distributors.

In the 3D digital fabrication market, sales of mainstay models in engravers and 3D milling machines were sluggish. In addition, the LD-80 that we released in March 2018, the world's first laser foil decorator, enables previously difficult decorations using foil on plastic products by using a semiconductor laser as heat source. It is possible to transfer foil to cosmetics and stationery to create gifts and novelty items with a premium look. In May 2018, this product won a prestigious Gold award, highly regarded as an innovative product, at the "Laser Focus World 2018 Innovators Awards" in the United States, organized by a laser technology journal for researchers and engineers. The LD-80 is compact in size, perfect for use in stores, and is both safe and easy to use. We are actively presenting it to retail stores in the retail market, where we are expanding UV printer sales.

As a result of these factors, sales of 3D products reached 3,952 million yen, or 112.3% of the same period of the previous fiscal year as sales of dental milling machines turned to a favorable trend.

[Supplies]

Although sales of ink for UV printers and textile printers increased, sales of ink for the sign market were lower than the same period of the previous fiscal year, and as a result, sales of supplies were on par with the same period of the previous fiscal year at 10,183 million yen, or 99.4% of the same period of the previous fiscal year.

[Others]

Maintenance services, service parts, and other sales were strong, and sales were 5,734 million yen, or 105.6% of the same period of the previous fiscal year.

Sales by region are as follows.

Net sales by region

(Millions of Yen)

Region	Nine months ended September 30, 2017		Nine months ended September 30, 2018		Changes	Changes in composition ratio (%)	Year-on year change (%)
	Amount	Composition ratio (%)	Amount	Composition ratio (%)			
Japan	3,706	11.7	3,339	10.7	(366)	(1.0)	90.1
North America	9,089	28.6	8,937	28.7	(152)	0.1	98.3
Europe	11,293	35.5	11,798	37.8	504	2.3	104.5
Asia	2,519	7.9	2,470	7.9	(49)	0	98.1
Others	5,191	16.3	4,661	14.9	(530)	(1.4)	89.8
Total	31,799	100.0	31,206	100.0	(593)	—	98.1

[Japan]

In 3D products, sales of the new dental milling machine DWX-52D were strong, and sales of the DWX-4 also significantly exceeded the same period of the previous fiscal year, owing to the expansion to the scope of insurance coverage for CAD/CAM crowns (dental fillings/crowns created by using digital data) in December 2017. In printers, sales of printers and ink for the sign market and sales of UV printers for the retail market and for prototyping packages decreased, as competition with competitors became fiercer.

As a result, net sales in Japan were 3,339 million yen, or 90.1% of the same period of the previous fiscal year.

[North America]

In 3D products, sales of the DWX-52DCi, a dental milling machine which incorporates an automatic disc changer function that was introduced in February 2018, were strong in the dental market as it was well received by medium-scale dental technician offices primarily focused on productivity. In printers, to strengthen sales abilities in the retail market, we focused on enhancing distributors by establishing a dedicated team. As we actively presented the LEF-12i, the most compact UV printer in our series, to customers with restrictions on installation space, and the LEF-300, notable for its high productivity, to customers with large printing volume, such proposal activities to meet customers' needs are producing results. Meanwhile, sales decreased in printers and ink for the sign market, which comprise a significant portion of sales.

As a result, and also due to the effect of the stronger yen, net sales in North America were 8,937 million yen, or 98.3% of the same period of the previous fiscal year.

[Europe]

In printers, although sales increased for UV printers for the sign market suitable for print on large boards such as acrylic and foam board signs and cardboard display fixtures, sales were sluggish for printers for the sign market and small UV printers. In 3D products, despite slow sales in the 3D digital fabrication market, performance was strong for the DWX series in the dental market, primarily for the DWX-4W wet milling machine and dental milling machines which incorporate an automatic disc changer function. Consequently, sales of 3D products were higher than the same period of the previous year.

As a result, and also due to benefits from the weaker yen, net sales in Europe were 11,798 million yen, or 104.5% of the same period of the previous fiscal year.

[Asia]

In the ASEAN region, sales of dental milling machines and service parts increased. In China, sales of printers, particularly printers for the sign market, were sluggish, and sales of service parts decreased despite the increased sales of dental milling machines.

As a result, net sales in Asia were 2,470 million yen, or 98.1% of the same period of the previous fiscal year.

[Other Regions]

In Brazil, sales of low-price print-only models and service parts for the sign market increased. In Australia, sales of UV printers for the retail market and dental milling machines increased, but sales of printers for the sign market were slow. In the Middle East, sales were sluggish, particularly printers for the sign market.

As a result, net sales in these regions were 4,661 million yen, or 89.8% of the same period of the previous fiscal year.

## (2) Explanation of Financial Position

Total assets as of the end of the third quarter decreased by 197 million yen compared with end-of-term consolidated totals last year to a total of 36,373 million yen (99.5% of year-end consolidated totals last term). With regard to current assets, while cash and deposits increased by 1,237 million yen, other current assets including accounts receivable – other decreased by 887 million yen. In non-current assets, while there were no significant investments, factors such as depreciation and the recording of a loss on sales and retirement of intangible assets caused a decrease of 448 million yen.

Liabilities as of the end of the third quarter decreased by 1,250 million yen to a total of 12,798 million yen (91.1% of year-end consolidated totals last term). Provision for bonuses increased by 223 million, while long-term loans payable decreased by 1,080 million yen due to repayments.

Net assets as of the end of the third quarter increased by 1,053 million yen to a total of 23,575 million yen (104.7% of year-end consolidated totals last term). Compared with the end of the previous fiscal year, retained earnings increased by 1,073 million yen due mainly to the performance of this period.

## (3) Explanation of Future Forecast Information such as Consolidated Performance Forecast

No revisions have been made to the consolidated financial results forecasts for the full year of the fiscal year ending December 31, 2018, which were announced on February 9, 2018. Any changes that may occur in the future will be appropriately disclosed.



## 2. Consolidated Financial Statements and Primary Notes

### (1) Consolidated Balance Sheets

(Thousands of Yen)

	As of December 31, 2017	As of September 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	9,766,525	11,003,910
Notes and accounts receivable - trade	4,621,555	4,904,449
Merchandise and finished goods	6,009,230	5,849,070
Work in process	28,229	121,494
Raw materials and supplies	2,392,219	2,097,375
Deferred tax assets	1,099,656	1,083,516
Other	2,520,292	1,633,146
Allowance for doubtful accounts	(66,155)	(69,965)
Total current assets	26,371,553	26,622,998
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,054,128	7,097,505
Accumulated depreciation	(4,333,086)	(4,488,454)
Buildings and structures, net	2,721,041	2,609,050
Machinery, equipment and vehicles	1,039,846	946,531
Accumulated depreciation	(717,813)	(705,432)
Machinery, equipment and vehicles, net	322,033	241,098
Tools, furniture and fixtures	3,624,684	3,767,916
Accumulated depreciation	(2,905,322)	(3,021,115)
Tools, furniture and fixtures, net	719,362	746,800
Land	3,130,077	3,133,614
Construction in progress	48,019	24,845
Total property, plant and equipment	6,940,534	6,755,409
Intangible assets		
Goodwill	372,297	306,065
Software	1,237,933	1,029,525
Telephone subscription right	8,598	8,350
Total intangible assets	1,618,829	1,343,941
Investments and other assets		
Investment securities	31,403	29,608
Deferred tax assets	672,679	667,452
Other	953,524	953,891
Allowance for doubtful accounts	(18,018)	-
Total investments and other assets	1,639,589	1,650,952
Total non-current assets	10,198,953	9,750,303
Total assets	36,570,506	36,373,301

(Thousands of Yen)

	As of December 31, 2017	As of September 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,908,452	1,952,482
Short-term loans payable	138,400	–
Current portion of long-term loans payable	1,440,000	720,000
Income taxes payable	130,486	120,680
Provision for bonuses	664,512	888,339
Provision for directors' bonuses	–	45,000
Provision for product warranties	538,417	481,848
Other	3,524,561	3,400,200
Total current liabilities	8,344,831	7,608,552
Non-current liabilities		
Long-term loans payable	3,240,000	2,880,000
Provision for employee stock ownership plan trust	102,876	108,256
Provision for management board incentive plan trust	253,692	174,041
Provision for loss on dissolution of employees' pension fund	51,732	4,995
Net defined benefit liability	642,269	629,711
Long-term accounts payable - other	42,213	41,307
Other	1,371,196	1,351,335
Total non-current liabilities	5,703,980	5,189,648
<b>Total liabilities</b>	<b>14,048,811</b>	<b>12,798,200</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,668,700	3,668,700
Capital surplus	3,700,608	3,700,608
Retained earnings	16,030,080	17,103,663
Treasury shares	(579,561)	(446,154)
Total shareholders' equity	22,819,827	24,026,817
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,786	6,108
Foreign currency translation adjustment	(154,073)	(329,052)
Remeasurements of defined benefit plans	(151,913)	(128,847)
Total accumulated other comprehensive income	(298,200)	(451,792)
Non-controlling interests	68	75
<b>Total net assets</b>	<b>22,521,695</b>	<b>23,575,101</b>
<b>Total liabilities and net assets</b>	<b>36,570,506</b>	<b>36,373,301</b>

(2) Consolidated Statements of Operations and Comprehensive Income  
 Consolidated Statements of Operations  
 (For the nine months ended September 30, 2017 and September 30, 2018)

(Thousands of Yen)

	For the nine months ended September 30, 2017 (From January 1, 2017 to September 30, 2017)	For the nine months ended September 30, 2018 (From January 1, 2018 to September 30, 2018)
Net sales	31,799,993	31,206,951
Cost of sales	17,655,919	17,258,493
Gross profit	14,144,073	13,948,457
Selling, general and administrative expenses		
Transportation and warehousing expenses	705,514	754,585
Advertising and promotion expenses	800,387	742,890
Provision of allowance for doubtful accounts	17,419	20,365
Provision for product warranties	58,049	—
Salaries and bonuses	5,575,342	5,320,715
Provision for bonuses	508,156	530,876
Provision for directors' bonuses	—	45,000
Provision for employee stock ownership plan trust	7,814	8,091
Provision for management board incentive plan trust	65,103	37,850
Retirement benefit expenses	284,050	222,576
Traveling and transportation expenses	480,088	454,778
Depreciation	566,960	513,956
Commission fee	894,318	905,454
Other	1,609,519	1,545,147
Total selling, general and administrative expenses	11,572,727	11,102,289
Operating profit	2,571,346	2,846,168
Non-operating income		
Interest income	12,775	10,136
Gain on valuation of investments in money held in trust	45,120	28,407
Foreign exchange gains	7,873	—
Reversal of reserve for loss on dissolution of employees' pension fund	—	44,728
Other	42,063	56,673
Total non-operating income	107,832	139,945
Non-operating expenses		
Interest expenses	14,998	12,141
Sales discounts	118,896	113,770
Foreign exchange losses	—	137,268
Other	3,913	15,434
Total non-operating expenses	137,807	278,615
Ordinary profit	2,541,371	2,707,498

(Thousands of Yen)

	For the nine months ended September 30, 2017 (From January 1, 2017 to September 30, 2017)	For the nine months ended September 30, 2018 (From January 1, 2018 to September 30, 2018)
Extraordinary income		
Gain on sales of non-current assets	9,465	8,094
Total extraordinary income	9,465	8,094
Extraordinary losses		
Loss on sales and retirement of non-current assets	12,593	123,802
Settlement package	1,381,457	–
Total extraordinary losses	1,394,051	123,802
Profit before income taxes	1,156,785	2,591,790
Income taxes - current	854,380	755,505
Income taxes - deferred	(546,919)	3,329
Total income taxes	307,460	758,834
Profit	849,324	1,832,955
Profit attributable to non-controlling interests	9	5
Profit attributable to owners of parent	849,315	1,832,950

## (Consolidated Statements of Comprehensive Income)

(Thousands of Yen)

	For the nine months ended September 30, 2017 (From January 1, 2017 to September 30, 2017)	For the nine months ended September 30, 2018 (From January 1, 2018 to September 30, 2018)
Profit	849,324	1,832,955
Other comprehensive income		
Valuation difference on available-for-sale securities	51	(1,677)
Foreign currency translation adjustment	187,163	(174,977)
Remeasurements of defined benefit plans, net of tax	73,147	23,065
Total other comprehensive income	260,361	(153,589)
Comprehensive income	1,109,686	1,679,366
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,109,672	1,679,358
Comprehensive income attributable to non-controlling interests	13	7

(3) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Significant Subsequent Events)

Not applicable.

### 3. Other

(Litigation, etc.)

Roland DG Brasil Ltd. (hereinafter, the “DBR”), a consolidated subsidiary of the Company, underwent an investigation by Brazilian tax authorities with respect to the importing of the Company’s inkjet printers, and as a result received a notice in August 2018 for the payment of additional taxes including the customs tariff for those products. DBR, in response to the direction by the authorities, declared its dissatisfaction in September 2018 to establish its legitimacy.