

Roland DG Corporation

Consolidated Financial Results for the Six Months Ended June 30, 2022

August 5, 2022



| Summary

H1 Overview

YoY: **Sales grew, Profit declined**
vs forecast: **Sales exceeded, Profit fell short**

Forecast revision

Reflected recent supply and parts/shipping cost situation
Updated FX assumption

Midterm themes

Update on recent initiatives by category

| 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

Financial Summary

Q2 Overview | Sales grew & profit declined; record high H1 sales of 24B

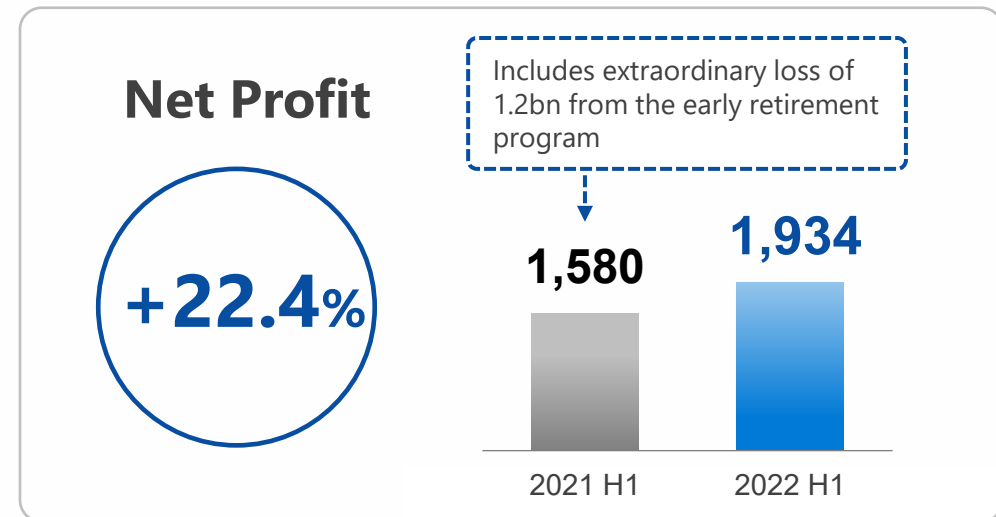
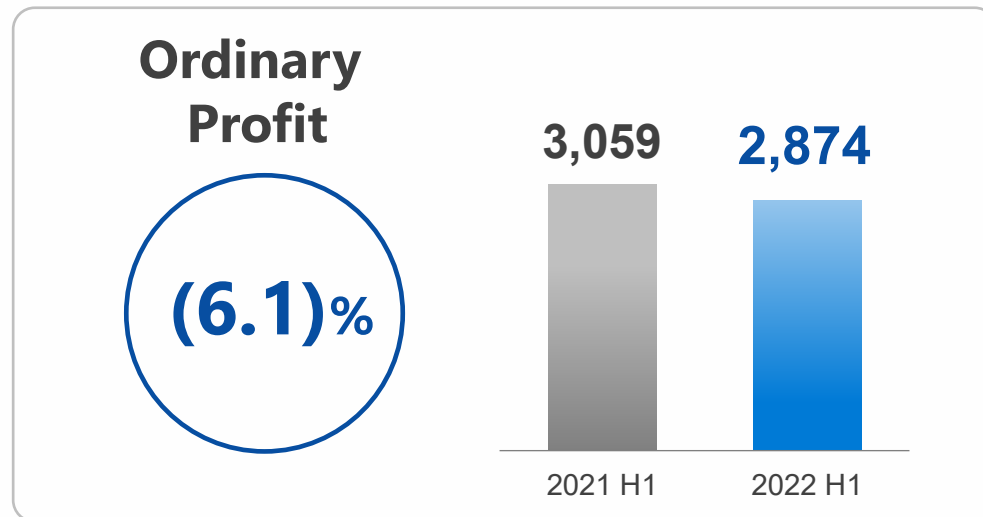
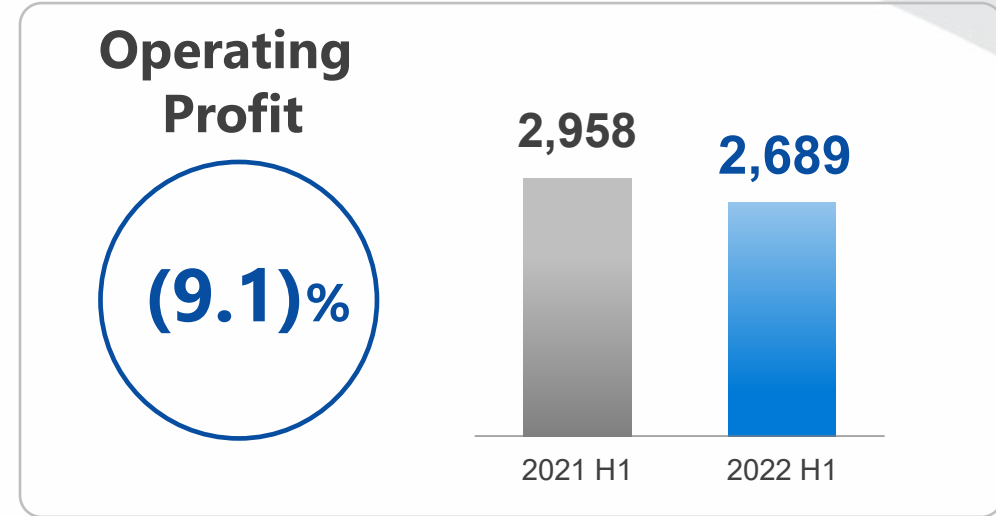
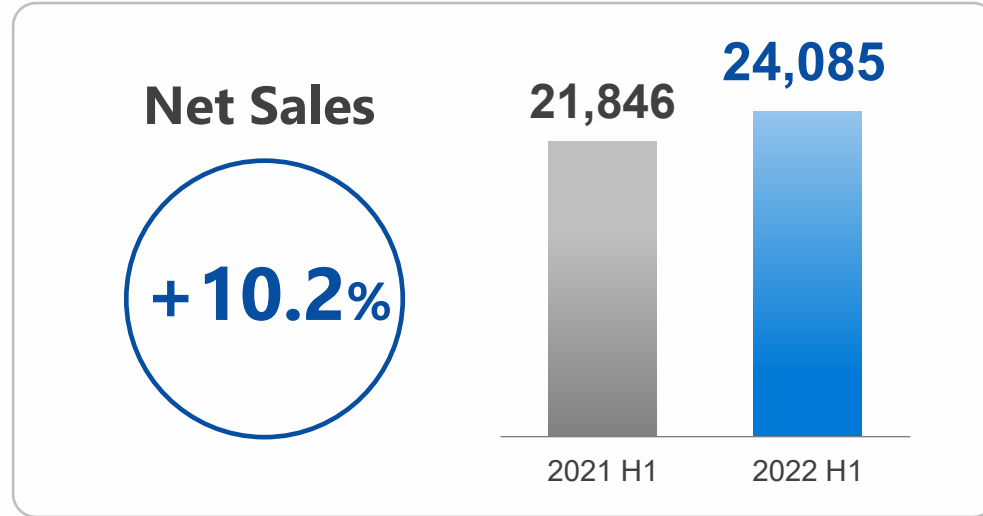
- Solid demand and tailwind by weak yen
- However, supply chain confusion and cost increase was more severe than expected

| Key Factor | | H1 Act Situation |
|---------------|---|---|
| Demand |  | <ul style="list-style-type: none">• Investment demand remained solid; output demand recovery led to supply sales growth• Strong interest in new products (Sales limited due to supply issue) |
| Supply |  | <ul style="list-style-type: none">• Parts procurement difficulty and shipping confusion continued due to the lockdown in China• Minimized procurement issue impact by production workarounds |
| Cost / Margin |  | <ul style="list-style-type: none">• Parts and shipping cost increase were worse than expected 【YoY】 Parts cost: +0.3B, Shipping cost: +0.2B 【vs forecast】 Parts cost: +0.3B, Shipping cost: +0.1B |
| FX |  | <ul style="list-style-type: none">• Sales & profit increased due to weak yen 【Original】 USD: JPY113 EUR: JPY128 【H1 Act】 USD: JPY122.9 EUR: JPY134.3 |

Sales grew but profit delined due to parts and shipping cost increase

YoY performance

(Millions of yen)

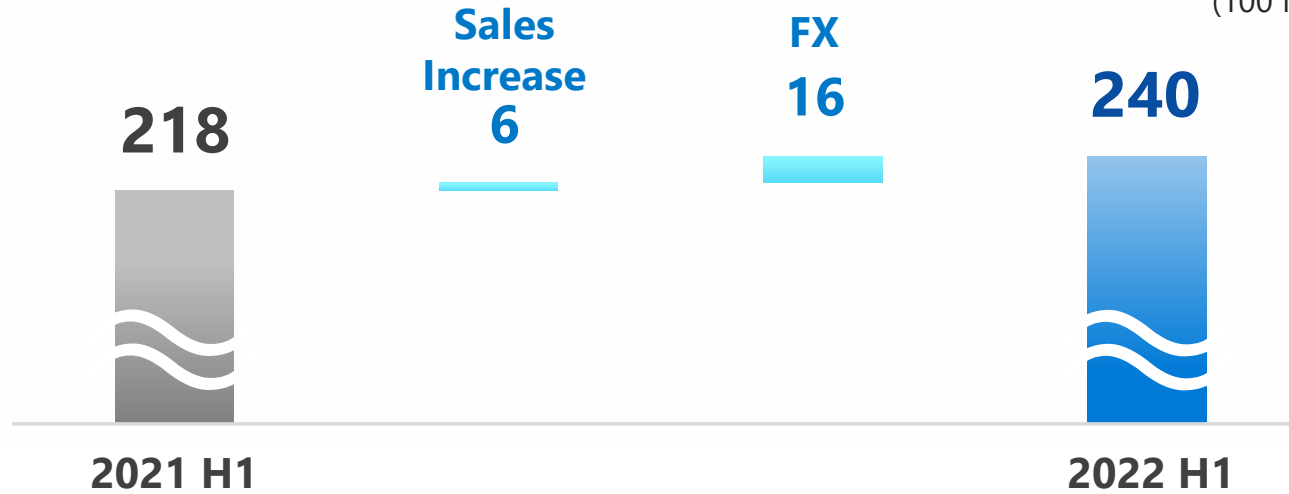


Sales and Operating Profit delta breakdown

Variance Analysis YoY

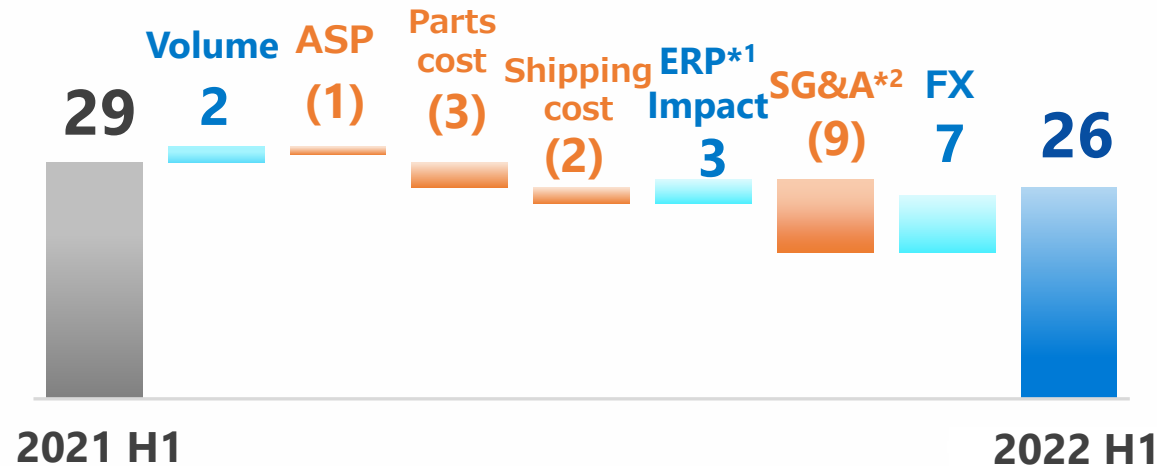
(100 Millions of yen)

Net Sales



| | | | | |
|---------------------------------|-----|--------|--------|--------|
| Average FX rate (Unit : yen) | USD | 107.70 | 122.89 | 114.1% |
| | EUR | 129.86 | 134.30 | 103.4% |

Operating Profit



Main increase in SG&A cost

- Personnel +2
- R&D +1
- Ads & promotion +3
- Travel & transportation +1

*1 Early Retirement Program

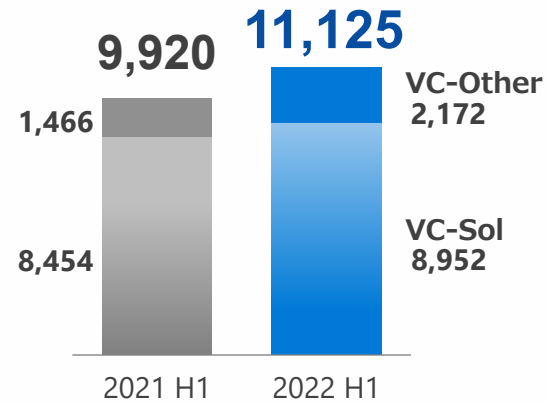
*2 Excludes personnel cost impact due to the Early Retirement Program

Strong demand continued resulting in YoY growth

Sales by market YoY

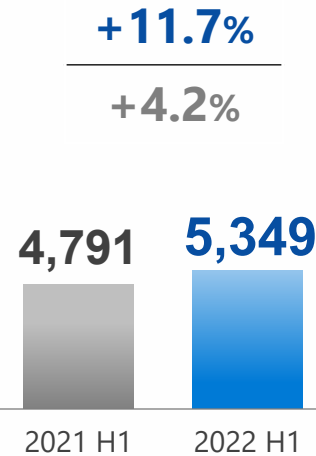
(Millions of yen)

Top : YoY % **+12.1%**
Bottom: FX excluded **+3.4%**



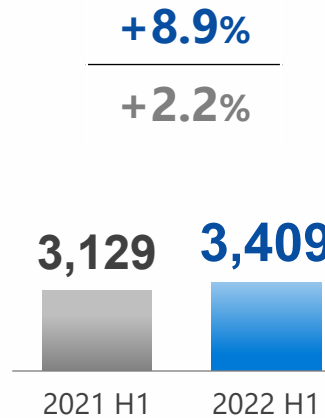
Visual Communication

- 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)
- Ink sales grew due to rush demand before price increase in H2



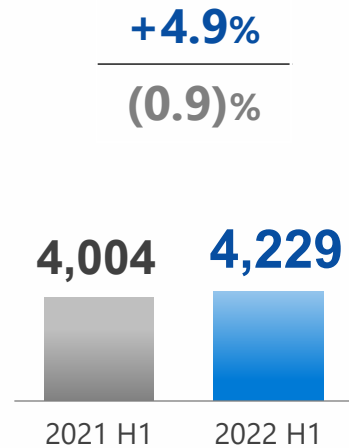
Digital Fabrication

- Desktop eco-solvent printer, BN-20A sales increased
- Increase in Co-Creation model, LEC2 S Series, by sales geography expansion



Dental

- DWX-42W grew in Europe and the US
- Main products, DWX-52D/DWX-52DCi, declined YoY
- DWX-52Di, an emerging market model launched in FY21H2 contributed to sales



Service, Software & Others

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

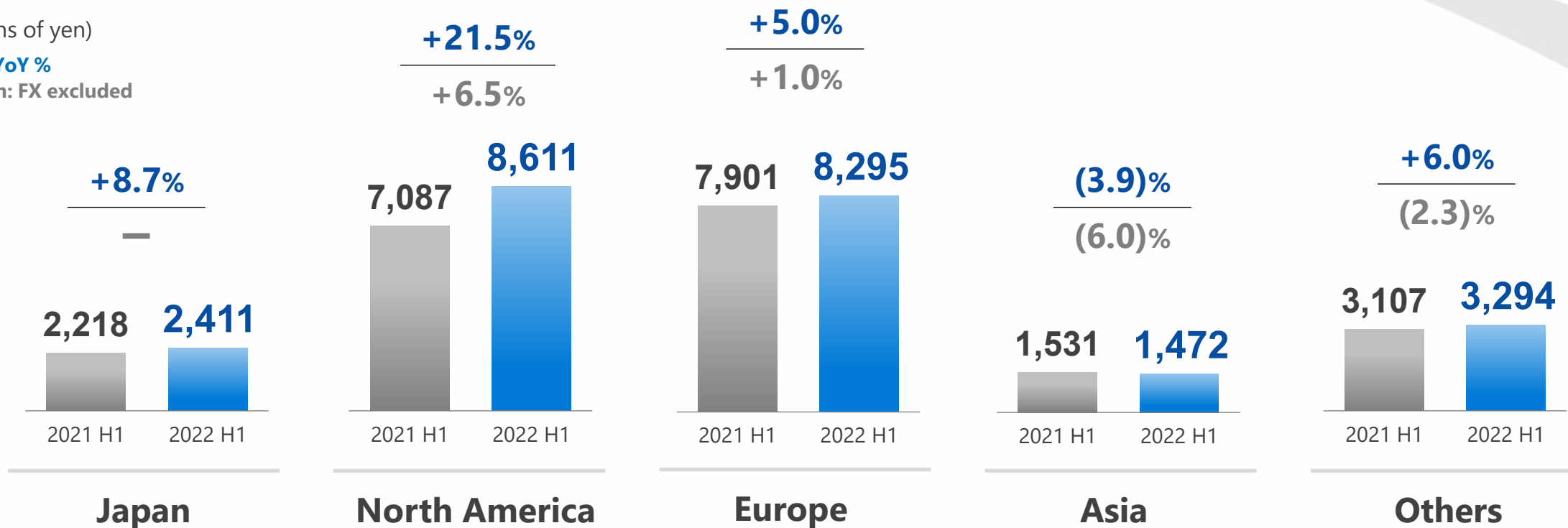
Solid Eco-Solvent printers sales in North America

Sales by Regions YoY

(Millions of yen)

Top : YoY %

Bottom: FX excluded



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

- BN-20A, Desktop Eco-Solvent printer for in-house/small businesses, increased YoY
- Flatbed and roll type Co-Creation UV printers grew
- Eco-Solvent and UV ink supply increased
- Dental products increased

- New Eco-Solvent printers for sign market and UV printerm, LEC2 Series, grew
- Flatbed type Co-Creation model UV printer sales increased
- Dental milling machines grew YoY excl. Russia

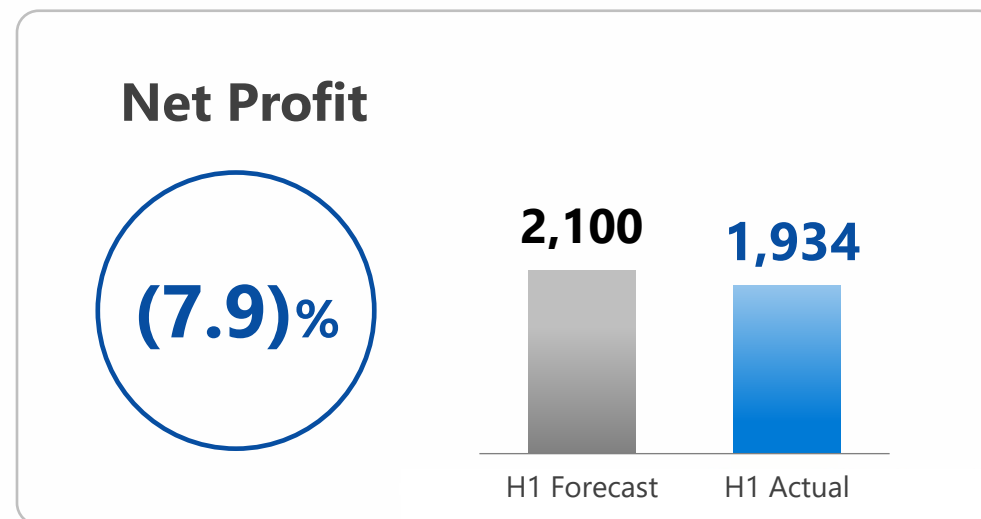
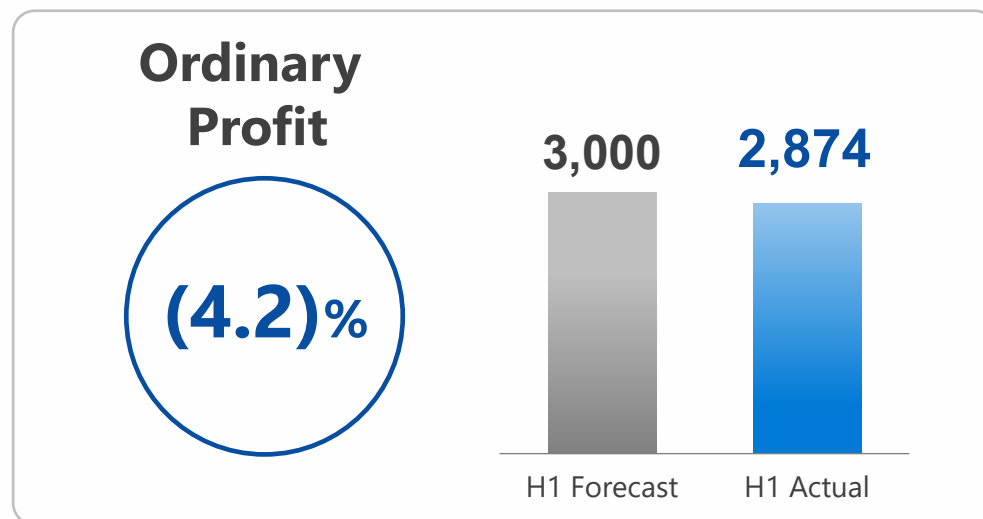
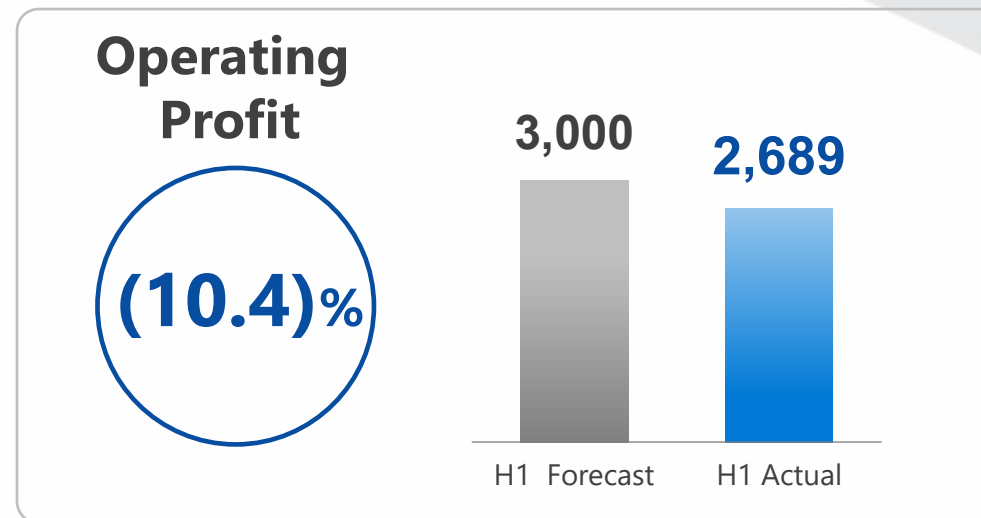
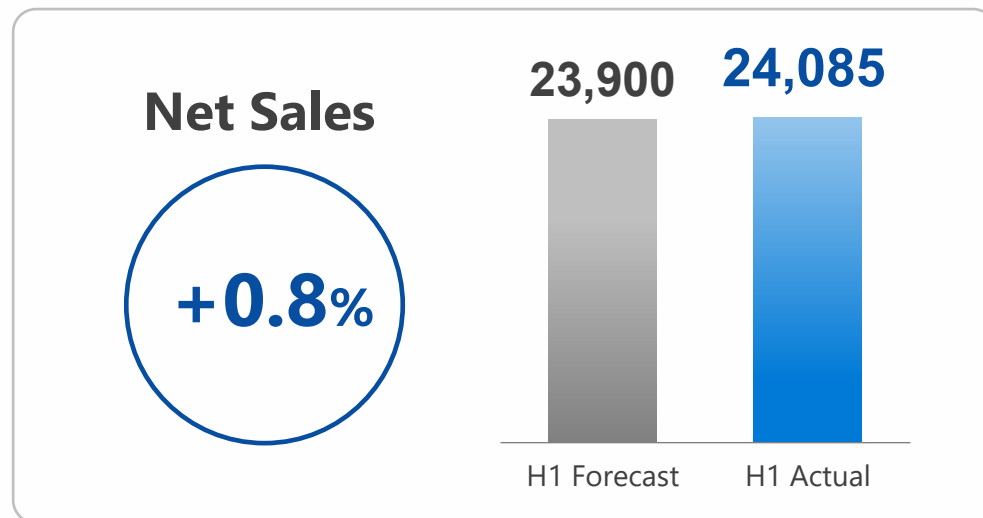
- Dental product grew largely in India thanks to sales channel development
- Sales slowed in China where there was a lock down
- Dental grew in ASEAN region

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

Sales exceeded thanks to FX but profit fell short due to parts and shipping cost increase

H1 Forecast

(Millions of yen)



※ Net profit attributable to owners of parent

Sales and Operating Profit delta breakdown

Variance Analysis H1 forecast

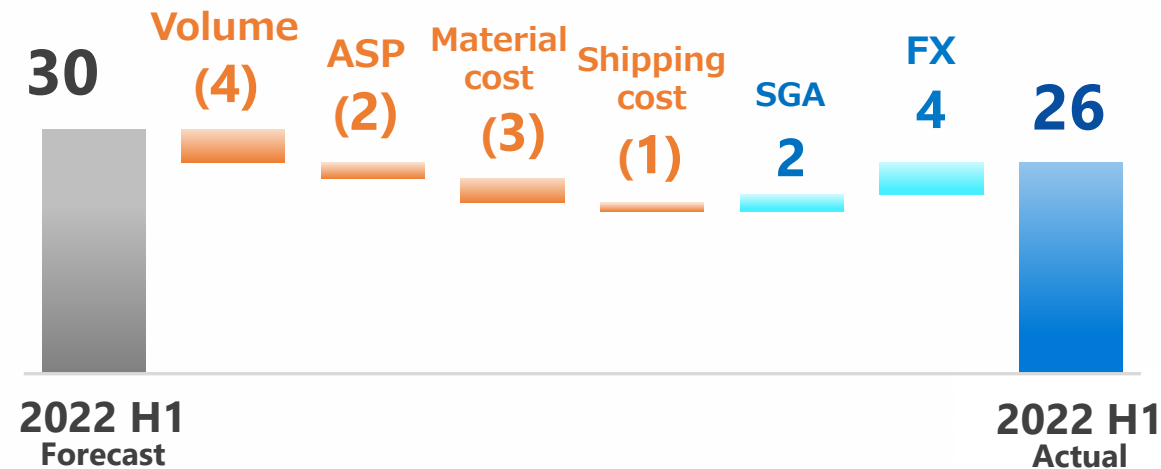
(100 Millions of yen)

Net Sales



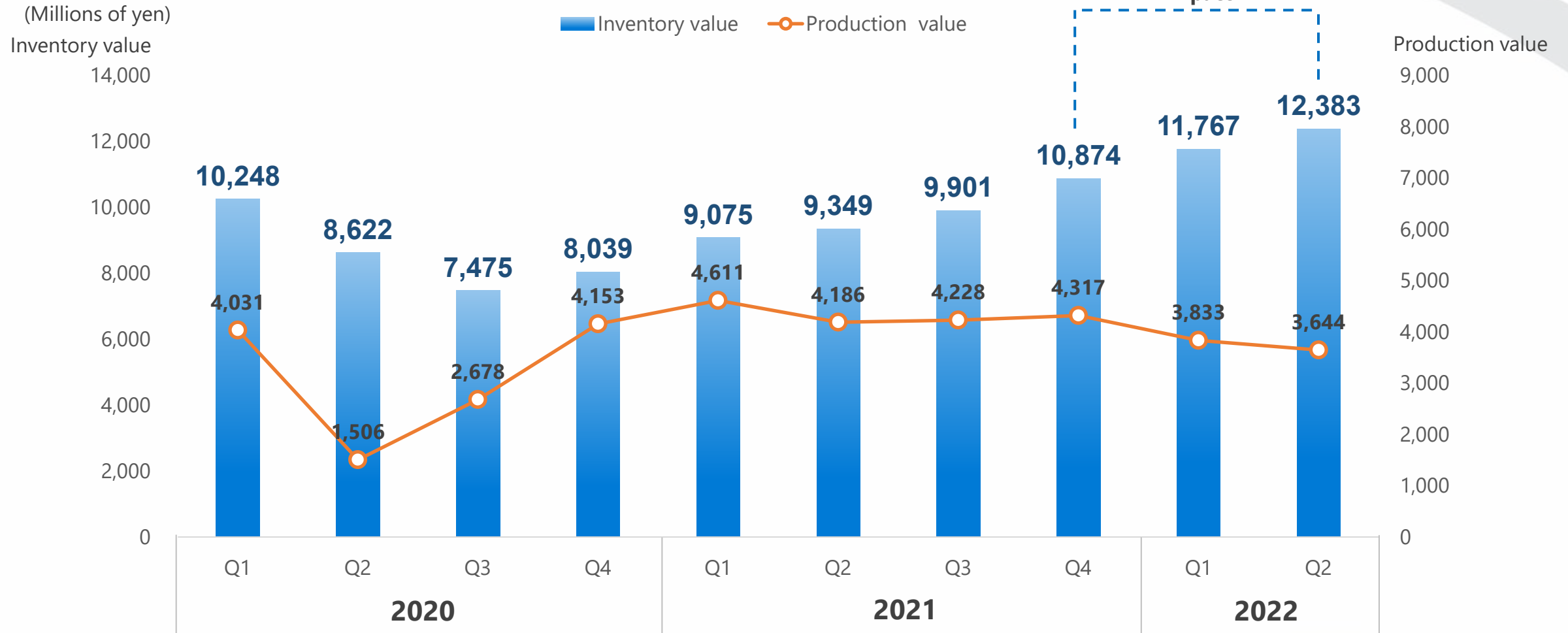
| | | | | |
|-----------------|-----|--------|--------|--------|
| Average FX rate | USD | 113.00 | 122.89 | 108.8% |
| (Unit : Yen) | EUR | 128.00 | 134.30 | 104.9% |

Operating Profit



Strived to procure and secure parts with priority on stable supply

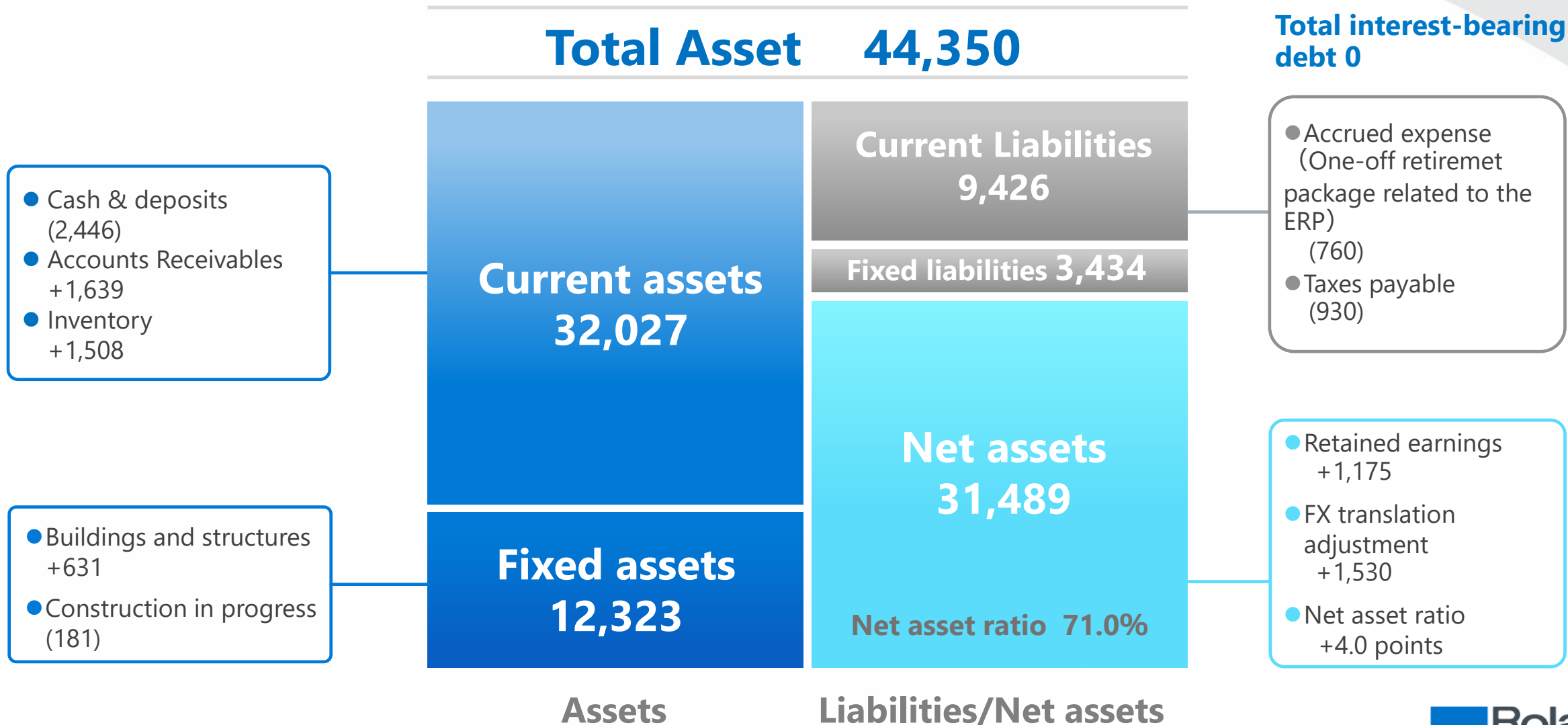
Change in inventory value and production value



Balance sheet

Balance sheet summary (as of 6/30/2022)

(Millions of yen)















※Change from the end of previous fiscal year

Forecast revision

Reflected Parts shortage and cost increase; updated FX assumption

- Originally assumed recovery in supply situation, but revised forecast assumes that the current situation will continue
- Cost increase also to continue from H1 but will be partly offset by price increase
- Overall forecast revised up partly due to weaker yen

| Key Factor | H1 Act Situation | H2 Fcst Original | H2 Fcst Revised | H2 Assumption |
|---------------|---|---|---|---|
| Demand |  |  |  | <ul style="list-style-type: none"> • Demand will remain solid |
| Supply |  |  |  | <ul style="list-style-type: none"> • Procurement and shipping issues will remain • Prioritize production based on strategy and profitability • Stabilize supply by supplementing parts and changing production process |
| Cost / Margin |  |  |  | <ul style="list-style-type: none"> • Parts and shipping cost to remain high (+1.1B vs original fcst) • Revise product and supply price to push through cost increase |
| FX |  |  |  | <ul style="list-style-type: none"> • Assume weak yen given latest situation <p> 【H1 Act】 USD: JPY122.9 EUR: JPY134.3 【H2 Fcst】 USD: JPY13 EUR: JPY135 </p> |

Full year Revised financial forecast

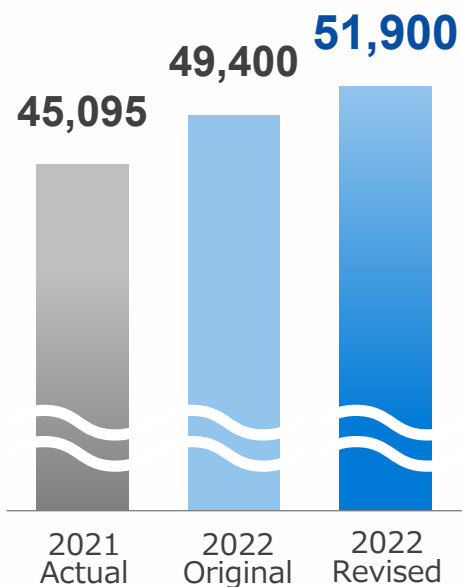
FY2022

(Millions of yen)

Net Sales

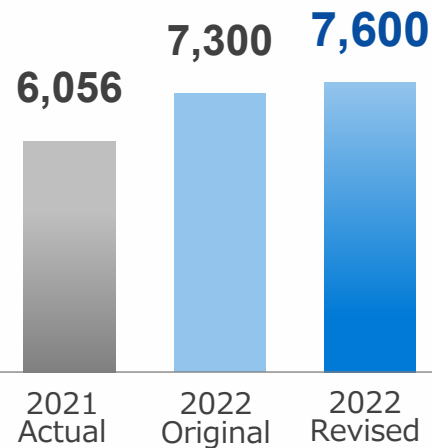
Vs Original forecast

+5.1%



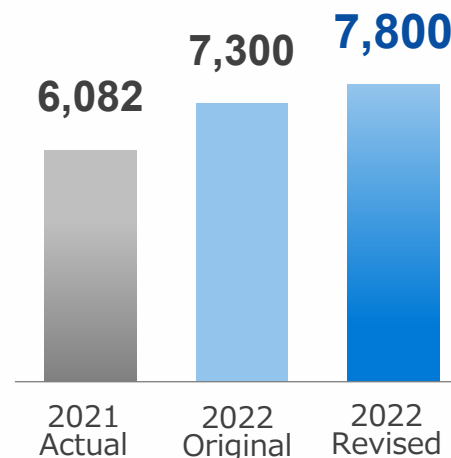
Operating Profit

+4.1%



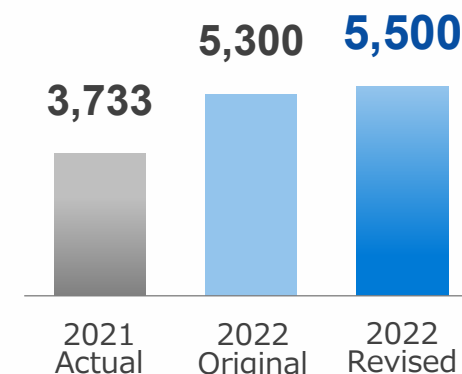
Ordinary Profit

+6.8%



Net Profit

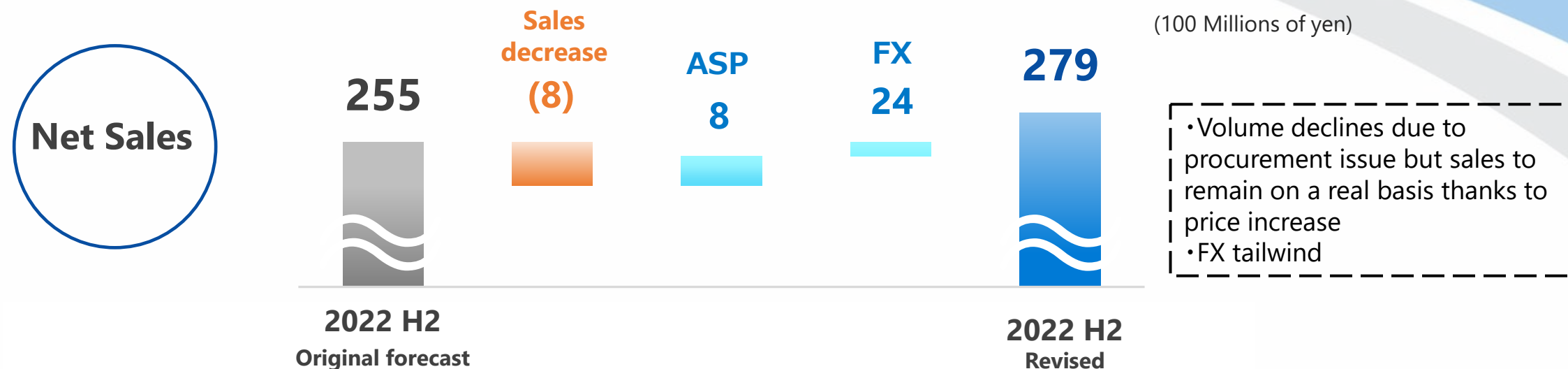
+3.8%



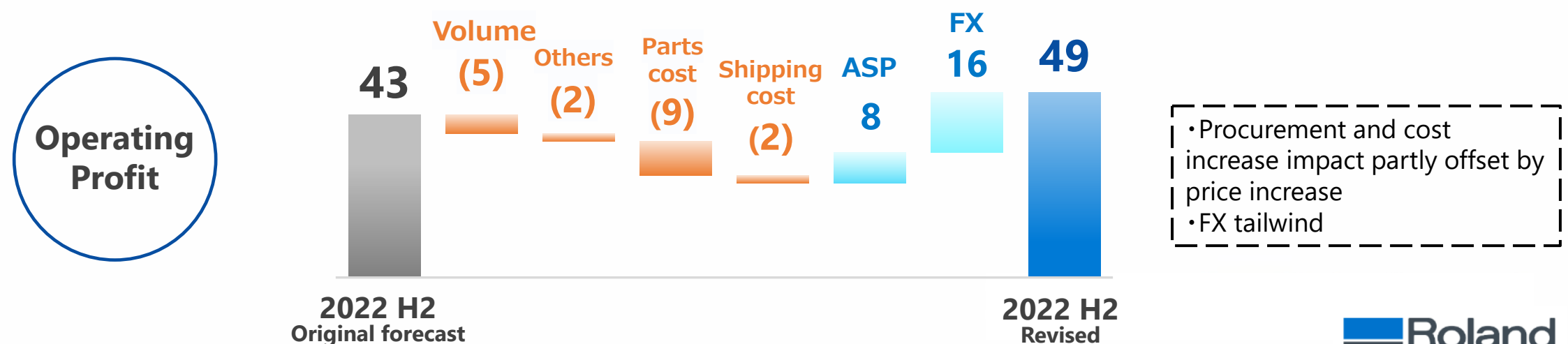
| Average FX Rate(yen) | 21 Act | 22 Original | 22 H1 Act | 22 H2 Original | 22 Revised |
|----------------------|--------|-------------|-----------|----------------|------------|
| USD | 109.81 | 113 | 122.89 | 131 | 127 |
| EUR | 129.93 | 128 | 134.30 | 135 | 135 |

Sales and Operating Profit delta breakdown

H2 Revised forecast

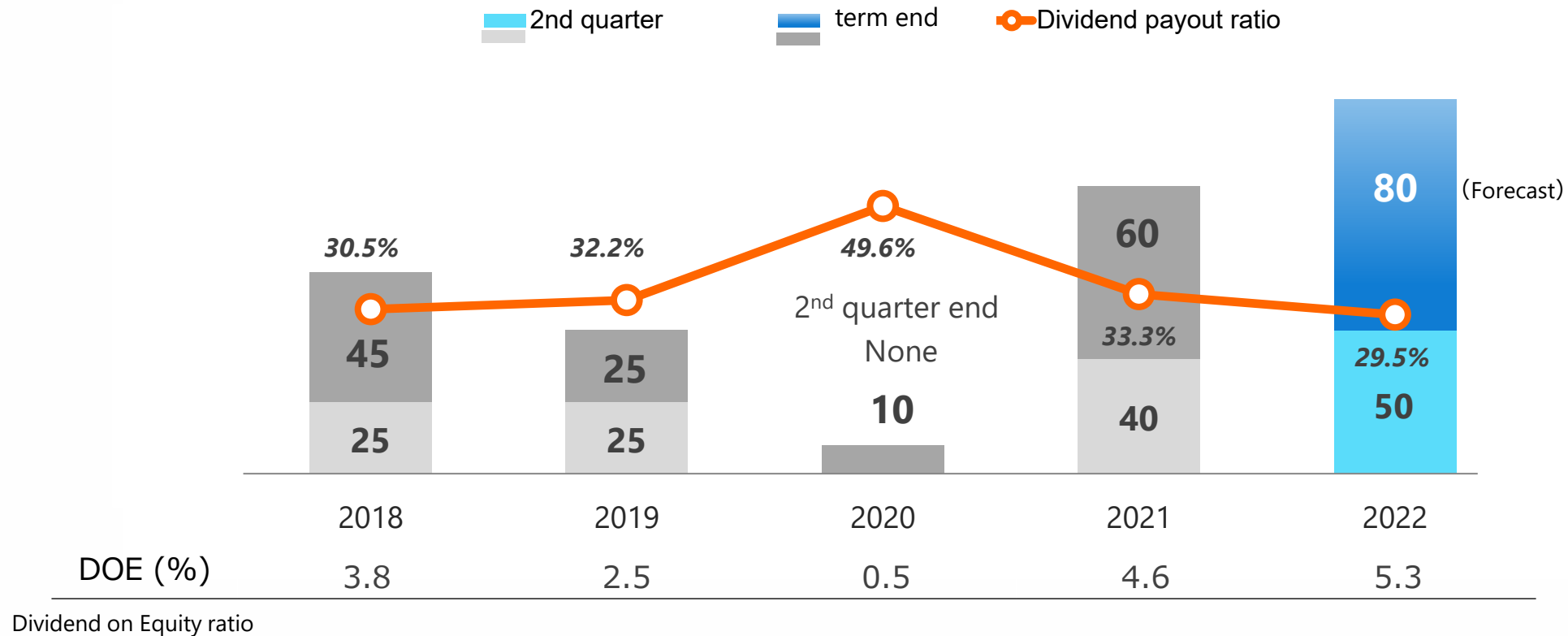


| | | | | |
|---------------------------------|-----|-----|-----|--------|
| Average FX rate (Unit : Yen) | USD | 113 | 131 | 115.9% |
| | EUR | 128 | 135 | 105.5% |



Dividend Forecast

- 2nd quarter dividend fixed at **50 yen**, Term end dividend expected to be **80 yen**
- Full year dividend forecast is **130 yen**, which translates into **29.5%** payout ratio



Divident 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

Midterm themes

Overview of the current 2021-23 Mid-term plan (Recap)

Core Strategy



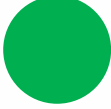





Financial Target

| | Actuals | Q2 Announcement | MTP Target | |
|-------------------------|--------------|-----------------|-----------------|--------------|
| | FY2021 | FY2022 | Original FY2023 | New FY2023 |
| Sales | 45.0B | 51.9B | 48.0B | 54.0B |
| Operating Profit / % | 6.0B / 13.4% | 7.6B / 14.6% | 6.0B / 12.5% | 8.0B / 14.8% |
| ROE | 13.9% | 17% | 15% | 17% |
| ROIC | 13.0% | - | 15% | 15% |
| CCC | 147 | - | 120 | 120 |
| Payout % / DOE | 33% / 4.6% | 29% / 5.2% | 30% / 2% | 30% / 2% |
| FX Rate (USDJPY/EURJPY) | 110/130 | 127/135 | 100/125 | 113/128 |

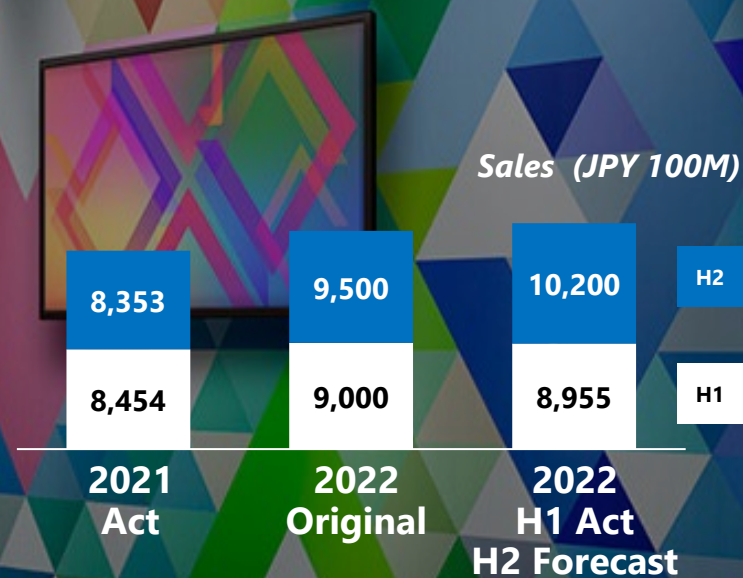
Reference: 2021/2/17 2021-2023 Mid-term plan
2022/2/14 Revised targets

Mid-term Plan ('21-'23) Half-way review

| Core Strategy | Sub-category | | Progress Status | Comments |
|---|-------------------------|---|---|---|
| <div>Lean Organization</div> <div>Business Portfolio Transition</div> | Cultivate Maintain Area | <ul style="list-style-type: none"> Integrate production locations Reduce fixed cost Renew management team & org. |  | <ul style="list-style-type: none"> Key initiatives mostly completed Continue improving productivity through DX and structural change |
| | | Visual Comm. (Solvent) |  | <ul style="list-style-type: none"> Launched first new plat form model, VG3/SG3 Series Sales volume slightly low due to procurement issues |
| | Expand Growth Area | Visual Comm. (Other) |  | <ul style="list-style-type: none"> Launched new UV printer products; sales growing Continue share acquisition by adding new products |
| | | Digital Fabrication |  | <ul style="list-style-type: none"> BN-20A launched; Cross-sell of Europe CC* products into N. America Preparing for new market and external partnership |
| | | Dental |  | <ul style="list-style-type: none"> Emerging market expansion gaining traction Accelerate clinic and new application development |
| | | Services, Software & Others |  | <ul style="list-style-type: none"> Expand Cloud Service Users and service offering |

*Co-Creation: Collaboration with external partners

Visual Communication VC-Solvent



Our Strategy

- Maintain #1 position in solvent printers



TrueVIS

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

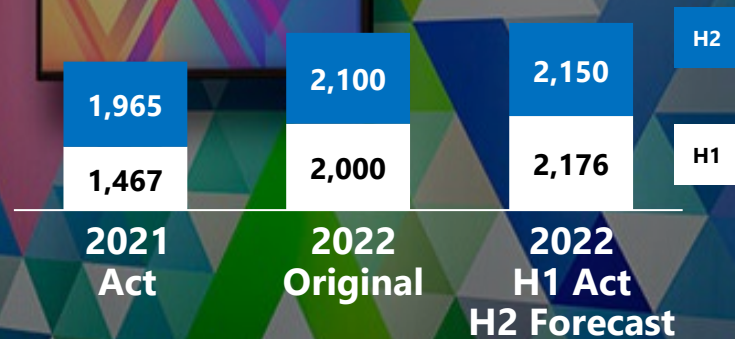


Released on March 23, 2022

- Launched core product for sign market in March
- Positive market feedback but H1 sales impact limited due to procurement issues
- 1st generation of the new platform model, which enables efficient R&D process and cost reduction

Visual Communication VC-Other

Sales (JPY 100M)



Our Strategy

- Gain share in other ink types and emerging markets
- Diversify ink to develop new application/market in the future



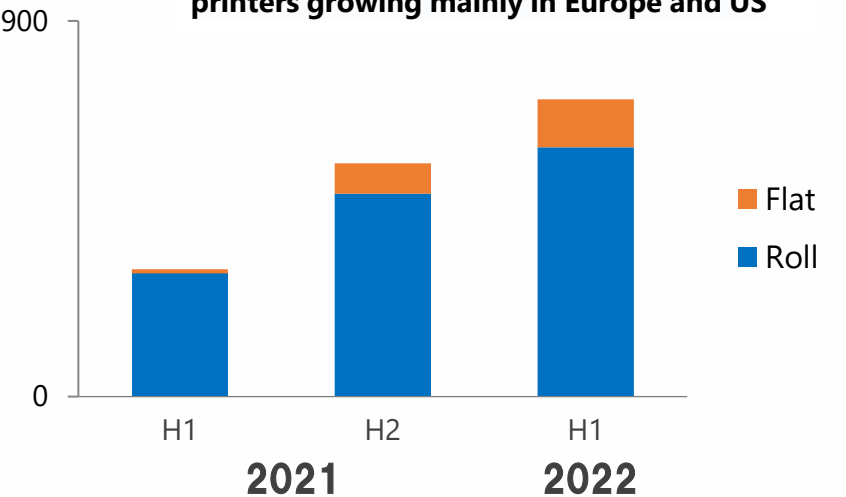
VersaUV
LEC2-640 LEC2-330



EU-1000MF

(Millions of yen)

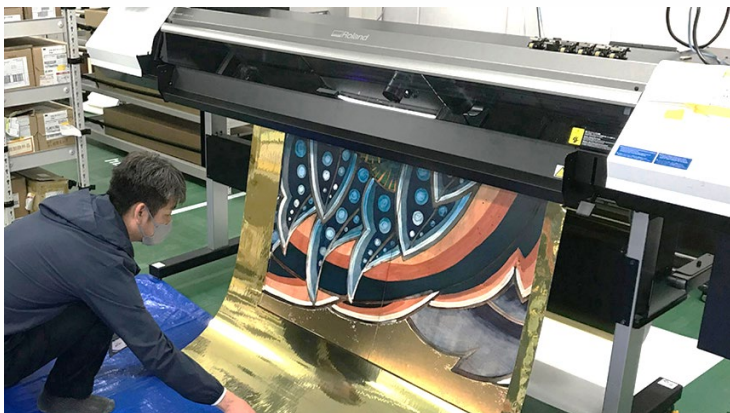
Large format flatbed & roll type UV printers growing mainly in Europe and US



! Digital reproduction of Hokusai's ceiling painting

Supported "Distributed Digital Museum Concept" to revitalize local communities by digitizing cultural assets accross Japan. Reproduced Hokusai Katsushika's late masterpiece - the ceiling painting in Gansho-in Temple, Obuse, Nagano - using our UV printer

UV Printer [VersaUV LEC2-640]



Printed 6.3m width x 5.5m depth by splitting it into 24 sections

Imagine. BLOG



Reproduced the red color of the phoenix, texture, and strokes using the characteristics of UV inks

Digital Fabrication

Sales (JPY 100M)

5,216

4,791

2021
Act

5,850

5,350

2022
Original

6,800

5,346

2022
H1 Act
H2 Forecast

H2

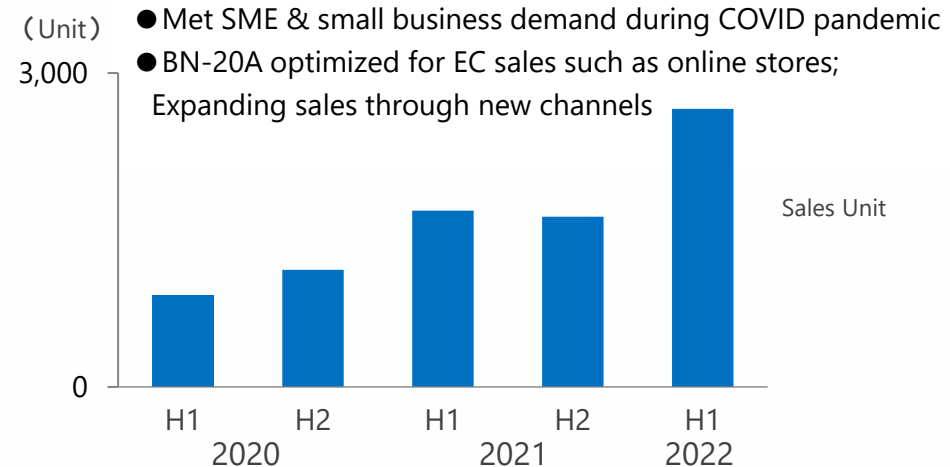
H1

Our Strategy

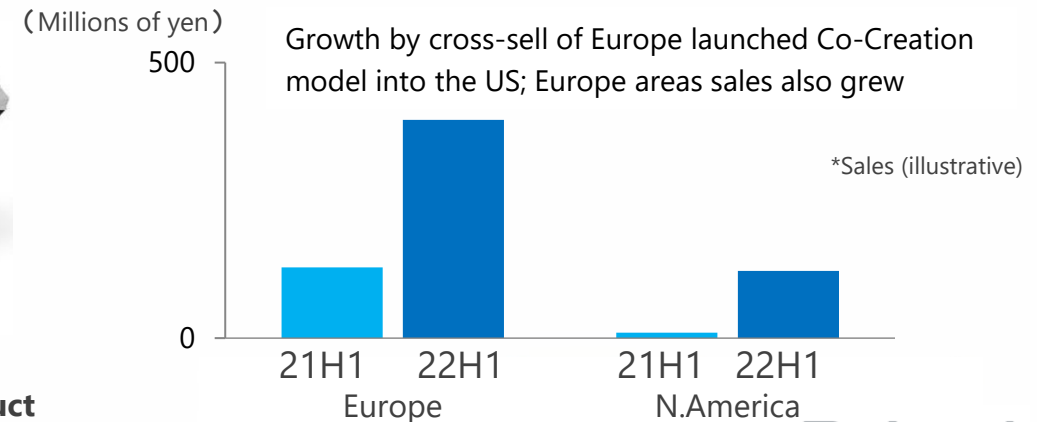
- Roll out channel and marketing strategy globally dedicated to this new customer segment
- Expand product line through partnership and Co-Creation work



BN-20A



LEC-S Series
Customization (Co-Creation) product



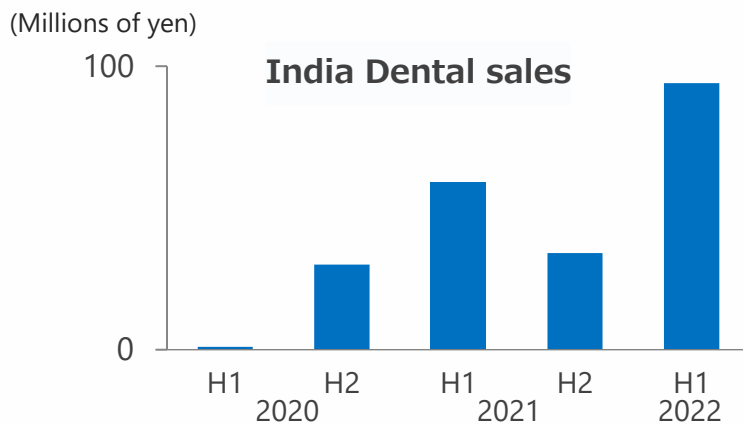
Dental

Our Strategy

- Maintain position in current main market (Advanced country/labs)
- Strengthen channel in emerging markets where dental digitization is accelerating
- Add growth by entering dental clinics and new applications (denture implants etc)

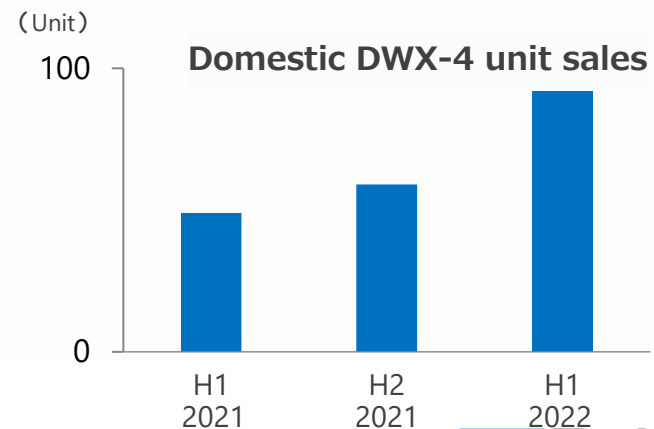
■ Growth in India

- Market growing by capturing outsource demand to China in addition to overall digitization of dental process
- Successful distributor channel development
- Large potential underpinning further growth



■ Insurance coverage for CAD/CAM crown

- Insurance coverage applied to CAD/CAM crown inlays since 2022/4
- Increase sales of our compact model, DWX-4, to capture demand



Service, Software & Others

Sales (JPY 100M)

4,242

4,150

4,300

H2

4,004

4,200

4,230

H1

2021
Act

2022
Original

2022
H1 Act
H2 Forecast

Our Strategy

- Reduce customer downtime and improve profitability by Repair & maintenance service upgrade
- Increase end-customer engagement through Roland DG Connect
- Plant seeds to build new opportunity in Software (SaaS)

Current revenue base



Service parts such as print heads



Roland DG **Care**

Service & Maintenance

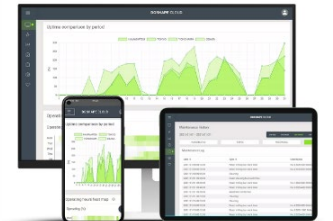


Future monetization potential

Roland DG Connect
for Everything Creative



DGS SHAPE CLOUD



Connected Service

Our response to the situation in Ukraine and financial impact

Our response

- Stopped our subsidiary's business in Moscow
- Stopped all product shipping to Russia

Financial Performance

- Sales in Russia for FY2021 was appx. JPY1.1B (2.4% of total sales) and has limited impact on financial performance
- Concerns related to the impact on the world economy including commodity price inflation



While Ukraine is in a difficult situation, our products have continued to be operated for public dental health and for academic purposes. We are delivering products to our local sales partners.

Construction of new production building of Thailand Factory

TOPICS

(Announced on August 2, 2022)

- Having completed shift of mass production function, we are now constructing a new building in an open space to address future demand growth
- Production capacity to increase by 60%+ (in terms of dental product units)
- Planning to move service parts management and shipping function from Japan to Thailand

Completion image



Total floor area : 5,400m²

Construction start date : September 2022 (plan)

Completion date : April 2023 (plan)

Investment amount (plan) : Approx. 456 million yen (120M THB)

Relocation of Head Office and construction of the new business building of the Head Office

TOPICS

(Announced on July 28)

- Move HQ to Miyakoda, and integrate with the Miyakoda Office
- Demolish the old R&D center, and build the new HQ building
- Energy efficient/generative technology used; excellent seismic performance
- Reduce cost and improve efficiency by integrating locations
- Enables diverse working styles

Completion image



Floor space : Approx. 7,300 m²

Building structure : Reinforced concrete structure 3 stories

Construction start date : September 2022 (plan) / Completion date : July 2023 (plan) / Relocation date : October 2023 (plan)

Investment amount (plan) : Approx. 2,950 million yen (Building and equipment)

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.**

Appendix

Consolidated financial results

(Millions of yen)

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

| | | 2021 H1 | | | | 2022 H1 | | YoY change | | |
|---------------------------------|-----|-------------|------------|-----------------|------------|-------------|------------|------------|--------|---|
| | | Performance | % of sales | Restated Actual | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Net Sales | | 21,846 | 100.0% | 21,846 | 100.0% | 24,085 | 100.0% | 2,238 | 110.2% | 102.6% |
| Gross Profit | | 9,627 | 44.1% | 11,140 | 51.0% | 11,945 | 49.6% | 804 | 107.2% | 97.1% |
| SGA cost | | 6,669 | 30.5% | 8,182 | 37.5% | 9,255 | 38.4% | 1,073 | 113.1% | 108.7% |
| Operating Profit | | 2,958 | 13.5% | 2,958 | 13.5% | 2,689 | 11.2% | (269) | 90.9% | 65.3% |
| Ordinary Profit | | 3,059 | 14.0% | 3,059 | 14.0% | 2,874 | 11.9% | (185) | 93.9% | 69.4% |
| Net Profit* | | 1,580 | 7.2% | 1,580 | 7.2% | 1,934 | 8.0% | 354 | 122.4% | 81.7% |
| EPS (yen) | | 127.04 | | 127.04 | | 155.26 | | | | |
| Average FX rate (Unit : yen) | USD | 107.70 | | 107.70 | | 122.89 | | | | |
| | EUR | 129.86 | | 129.86 | | 134.30 | | | | |

* Net profit attributable to owners of parent

| | | |
|-----------------------------------|------------------|-------|
| Exchange rate Amount of impact | Net sales | 1,668 |
| | Operating Profit | 758 |

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

Consolidated financial results

(Millions of yen)

| | 2021 H1 | | 2022 H1 | | YoY change | | |
|----------------------------|-------------|------------|-------------|------------|------------|--------|--|
| Sales by Market | Performance | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Visual Communication | 9,920 | 45.4% | 11,125 | 46.2% | 1,204 | 112.1% | 103.4% |
| Digital Fabrication | 4,791 | 21.9% | 5,349 | 22.2% | 558 | 111.7% | 104.2% |
| Dental | 3,129 | 14.3% | 3,409 | 14.2% | 279 | 108.9% | 102.2% |
| Service, Software & Others | 4,004 | 18.3% | 4,200 | 17.4% | 195 | 104.9% | 99.1% |
| Total | 21,846 | 100.0% | 24,085 | 100.0% | 2,238 | 110.2% | 102.6% |
| Sales by Product | | | | | | | |
| Hardware | 11,016 | 50.4% | 12,316 | 51.1% | 1,299 | 111.8% | 103.9% |
| Supplies | 6,940 | 31.8% | 7,722 | 32.1% | 781 | 111.3% | 103.2% |
| Service parts & Others | 3,889 | 17.8% | 4,046 | 16.8% | 156 | 104.0% | 98.0% |
| Sales by Region | | | | | | | |
| Japan | 2,218 | 10.2% | 2,411 | 10.0% | 192 | 108.7% | - |
| North America | 7,087 | 32.4% | 8,611 | 35.8% | 1,524 | 121.5% | 106.5% |
| Europe | 7,901 | 36.2% | 8,295 | 34.4% | 393 | 105.0% | 101.0% |
| Asia | 1,531 | 7.0% | 1,472 | 6.1% | (59) | 96.1% | 94.0% |
| Others | 3,107 | 14.2% | 3,294 | 13.7% | 186 | 106.0% | 97.7% |
| Total | 21,846 | 100.0% | 24,085 | 100.0% | 2,238 | 110.2% | 102.6% |

Consolidated financial results

Sales by Product (Old Categories)

(Millions of yen)

| | 2021 H1 | | 2022 H1 | | YoY change | | |
|--------------------------|-------------|------------|---------------|------------|------------|--------|---|
| | Performance | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Printers | 7,010 | 32.1% | 8,174 | 33.9% | 1,164 | 116.6% | 107.6% |
| Plotters | 619 | 2.8% | 570 | 2.4% | (49) | 92.1% | 85.1% |
| 3D Products (DGSHAPE) | 3,387 | 15.5% | 3,571 | 14.8% | 184 | 105.4% | 99.5% |
| Supplies | 6,940 | 31.8% | 7,722 | 32.1% | 781 | 111.3% | 103.2% |
| Others | 3,889 | 17.8% | 4,046 | 16.8% | 156 | 104.0% | 98.0% |
| Total | 21,846 | 100.0% | 24,085 | 100.0% | 2,238 | 110.2% | 102.6% |

Consolidated financial results

(Millions of yen)

| | | 2022 H1 | | | | vs forecast | | |
|------------------------------------|-----|----------|------------|---------------|------------|-------------|--------|--|
| | | Forecast | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Net Sales | | 23,900 | 100.0% | 24,085 | 100.0% | 185 | 100.8% | 95.2% |
| Gross Profit | | 12,200 | 51.0% | 11,945 | 49.6% | (254) | 97.9% | 92.0% |
| SGA cost | | 9,200 | 38.5% | 9,255 | 38.4% | 55 | 100.6% | 97.3% |
| Operating Profit | | 3,000 | 12.6% | 2,689 | 11.2% | (310) | 89.6% | 76.3% |
| Ordinary Profit | | 3,000 | 12.6% | 2,894 | 11.9% | (125) | 95.8% | 82.6% |
| Net Profit* | | 2,100 | 8.8% | 1,934 | 8.0% | (165) | 92.1% | 76.6% |
| EPS (yen) | | 168.56 | | 155.26 | | | | |
| Average FX rate (Unit : yen) | USD | 113.00 | | 122.89 | | | | |
| | EUR | 128.00 | | 134.30 | | | | |

* Net profit attributable to owners of parent

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

Consolidated financial results

(Millions of yen)

| | 2022 H1 | | | | vs forecast | | |
|----------------------------|----------|------------|---------------|------------|-------------|--------|--|
| Sales by Market | Forecast | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Visual Communication | 11,000 | 46.0% | 11,125 | 46.2% | 125 | 101.1% | 93.3% |
| Digital Fabrication | 5,350 | 22.4% | 5,349 | 22.2% | (0) | 100.0% | 93.3% |
| Dental | 3,350 | 14.0% | 3,409 | 14.2% | 59 | 101.8% | 95.5% |
| Service, Software & Others | 4,200 | 17.6% | 4,200 | 17.4% | 0 | 100.0% | 94.5% |
| Total | 23,900 | 100.0% | 24,085 | 100.0% | 185 | 100.8% | 93.8% |
| Sales by Product | | | | | | | |
| Hardware | 12,700 | 53.1% | 12,316 | 51.1% | (383) | 97.0% | 90.1% |
| Supplies | 7,100 | 29.7% | 7,722 | 32.1% | 622 | 108.8% | 100.9% |
| Service parts & Others | 4,100 | 17.2% | 4,046 | 16.8% | (53) | 98.7% | 93.8% |
| Sales by Region | | | | | | | |
| Japan | 2,450 | 10.2% | 2,411 | 10.0% | (38) | 98.4% | - |
| North America | 8,000 | 33.5% | 8,611 | 35.8% | 611 | 107.6% | 98.4% |
| Europe | 8,650 | 36.2% | 8,295 | 34.4% | (354) | 95.9% | 94.3% |
| Asia | 1,700 | 7.1% | 1,472 | 6.1% | (227) | 86.6% | 92.3% |
| Others | 3,100 | 13.0% | 3,294 | 13.7% | 194 | 106.3% | 97.9% |
| Total | 23,900 | 100.0% | 24,085 | 100.0% | 185 | 100.8% | 93.8% |

Consolidated financial results

Sales by Product (Old Category)

(Millions of yen)

| | 2022 H1 | | | | vs forecast | | |
|--------------------------|----------|------------|---------------|------------|-------------|--------|---|
| | Forecast | % of sales | Performance | % of sales | Change | Ratio | Exchange rate impact excluded Real term |
| Printers | 8,350 | 34.9% | 8,174 | 33.9% | (175) | 97.9% | 90.3% |
| Plotters | 600 | 2.5% | 570 | 2.4% | (29) | 95.0% | 87.8% |
| 3D Products (DGSHAPE) | 3,750 | 15.7% | 3,571 | 14.8% | (178) | 95.2% | 90.9% |
| Supplies | 7,100 | 29.7% | 7,722 | 32.1% | 622 | 108.8% | 100.9% |
| Others | 4,100 | 17.2% | 4,046 | 16.8% | (53) | 98.7% | 93.0% |
| Total | 23,900 | 100.0% | 24,085 | 100.0% | 185 | 100.8% | 93.8% |

Consolidated financial results (3 months)

(Millions of yen)

2021

2022

| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | YoY | QoQ |
|------------------|---------|--------|--------|--------|--------|---------------|---------|---------|
| Net Sales | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | 110.6% | 112.8% |
| Gross Profit | 5,078 | 6,062 | 5,949 | 5,973 | 5,681 | 6,263 | 103.3% | 110.3% |
| % | 49.3% | 52.5% | 51.4% | 51.1% | 50.2% | 49.1% | (1.4) P | (1.1) P |
| SGA cost | 4,046 | 4,135 | 4,072 | 4,752 | 4,387 | 4,868 | 117.7% | 111.0% |
| % | 39.3% | 35.8% | 35.2% | 40.7% | 38.8% | 38.1% | (2.3) P | (0.7) P |
| Operating Profit | 1,031 | 1,926 | 1,876 | 1,221 | 1,293 | 1,395 | 72.4% | 107.9% |
| % | 10.0% | 16.7% | 16.2% | 10.5% | 11.4% | 10.9% | (5.8) P | (0.5) P |
| Ordinary Profit | 1,108 | 1,950 | 1,763 | 1,258 | 1,467 | 1,406 | 72.1% | % |
| % | 10.8% | 16.9% | 15.2% | 10.8% | 13.0% | 11.0% | (5.9) P | (2.0) P |
| Net Profit * | (215) | 1,796 | 1,227 | 925 | 925 | 1,009 | 56.2% | % |
| % | — | 15.6% | 10.6% | 7.9% | 8.2% | 7.9% | (7.7) P | (0.3) P |
| EPS (yen) | (17.34) | 144.38 | 98.55 | 74.29 | 74.25 | 81.01 | | |

* Net profit attributable to owners of parent

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

Consolidated financial results (3 months)

(Millions of yen)

Sales by Market

| | 2021 | | | | 2022 | | | |
|----------------------------|--------|--------|--------|--------|--------|---------------|--------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | YoY | QoQ |
| Visual Communication | 4,680 | 5,240 | 5,345 | 4,972 | 5,186 | 5,939 | 113.3% | 114.5% |
| Digital Fabrication | 2,198 | 2,593 | 2,529 | 2,687 | 2,509 | 2,840 | 109.5% | 113.2% |
| Dental | 1,373 | 1,756 | 1,576 | 1,895 | 1,529 | 1,879 | 107.0% | 122.8% |
| Service, Software & Others | 2,046 | 1,958 | 2,114 | 2,127 | 2,090 | 2,110 | 107.8% | 100.9% |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | 110.6% | 112.8% |

Sales by Product

| | | | | | | | | |
|------------------------|-------|-------|-------|-------|-------|--------------|--------|--------|
| Hardware | 5,063 | 5,953 | 5,756 | 5,896 | 5,843 | 6,472 | 108.7% | 110.8% |
| Supplies | 3,247 | 3,693 | 3,781 | 3,715 | 3,485 | 4,236 | 114.7% | 121.5% |
| Service parts & Others | 1,987 | 1,902 | 2,028 | 2,070 | 1,987 | 2,059 | 108.3% | 103.6% |

Sales by Region

| | | | | | | | | |
|---------------|--------|--------|--------|--------|--------|---------------|--------|--------|
| Japan | 1,167 | 1,051 | 1,113 | 1,201 | 1,347 | 1,063 | 101.1% | 78.9% |
| North America | 3,103 | 3,983 | 3,725 | 3,202 | 3,859 | 4,752 | 119.3% | 123.1% |
| Europe | 3,739 | 4,162 | 4,346 | 4,919 | 3,880 | 4,414 | 106.1% | 113.7% |
| Asia | 723 | 808 | 755 | 943 | 772 | 699 | 86.6% | 90.6% |
| Others | 1,564 | 1,543 | 1,624 | 1,415 | 1,455 | 1,839 | 119.2% | 126.3% |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | 110.6% | 112.8% |

Consolidated financial results (3 months)

Sales by Product (Old Categories)

(Millions of yen)

| | 2021 | | | | 2022 | | | |
|--------------------------|--------|--------|--------|--------|--------|---------------|--------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | YoY | QoQ |
| Printers | 3,232 | 3,777 | 3,797 | 3,604 | 3,840 | 4,334 | 114.7% | 112.9% |
| Plotters | 336 | 283 | 265 | 324 | 305 | 264 | 93.6% | 86.8% |
| 3D Products (DGSHAPE) | 1,494 | 1,892 | 1,692 | 1,967 | 1,697 | 1,873 | 99.0% | 110.3% |
| Supplies | 3,247 | 3,693 | 3,781 | 3,715 | 3,485 | 4,236 | 114.7% | 121.6% |
| Others | 1,987 | 1,902 | 2,028 | 2,070 | 1,987 | 2,059 | 108.3% | 103.6% |
| Total | 10,298 | 11,548 | 11,566 | 11,682 | 11,316 | 12,768 | 110.6% | 112.8% |

FY2022 H2 Forecast

(Millions of yen)

| | FY2021 H2 | | FY2022 H2 | | | YoY change | |
|------------------|-------------|------------|-------------------|------------------|--------|------------|--------|
| | Performance | % of sales | Original forecast | Revised forecast | Change | % of sales | Change |
| Net Sales | 23,249 | 100.0% | 25,500 | 27,900 | 100.0% | 4,650 | 120.0% |
| Gross Profit | 11,992 | 51.3% | 13,300 | 14,300 | 51.3% | 2,308 | 119.9% |
| SGA cost | 8,825 | 38.0% | 9,000 | 9,400 | 33.7% | 574 | 106.5% |
| Operating Profit | 3,097 | 13.3% | 4,300 | 4,900 | 17.6% | 1,802 | 158.2% |
| Ordinary Profit | 3,022 | 13.0% | 4,300 | 4,900 | 17.6% | 1,877 | 162.1% |
| Net Profit* | 2,152 | 9.3% | 3,200 | 3,500 | 12.5% | 1,347 | 162.6% |
| Net Sales | 172.84 | | 256.86 | 286.08 | | | |

* Net profit attributable to owners of parent

※H2 Original Rate 1\$=113 yen / 1€=127 yen
H2 Revised Rate 1\$=131yen / 1€=135 yen

FY2022 H2 Forecast

(Millions of yen)

| | 2021 | | 2022 | | | | YoY change | |
|----------------------------|-------------|------------|----------|---------------|--------|------------|------------|--------|
| Sales by Market | Performance | % of sales | Original | Revised | Change | % of sales | Change | Ratio |
| Visual Communication | 10,317 | 44.4% | 11,600 | 12,350 | 750 | 44.3% | 2,032 | 119.7% |
| Digital Fabrication | 5,216 | 22.4% | 5,850 | 6,800 | 950 | 24.4% | 1,847 | 130.4% |
| Dental | 3,471 | 14.9% | 3,900 | 4,450 | 550 | 15.9% | 185 | 128.2% |
| Service, Software & Others | 4,242 | 18.3% | 4,150 | 4,300 | 150 | 15.4% | 1,583 | 101.4% |
| Total | 23,249 | 100.0% | 25,500 | 27,900 | 2,400 | 100.0% | 4,651 | 120.0% |
| Sales by Product | | | | | | | | |
| Hardware | 11,652 | 50.1% | 14,100 | 15,500 | 1,400 | 55.6% | 3,848 | 133.0% |
| Supplies | 7,497 | 32.3% | 7,300 | 8,200 | 900 | 29.4% | 703 | 109.4% |
| Service parts & Others | 4,099 | 17.6% | 4,100 | 4,200 | 100 | 15.1% | 101 | 102.5% |
| Sales by Region | | | | | | | | |
| Japan | 2,315 | 10.0% | 2,400 | 2,400 | 0 | 8.6% | 85 | 103.7% |
| North America | 6,928 | 29.8% | 8,450 | 9,850 | 1,400 | 35.3% | 2,922 | 142.2% |
| Europe | 9,266 | 39.8% | 8,950 | 9,550 | 600 | 34.2% | 283 | 103.1% |
| Asia | 1,698 | 7.3% | 2,050 | 2,100 | 50 | 7.5% | 401 | 123.6% |
| Others | 3,040 | 13.1% | 3,650 | 4,000 | 350 | 14.3% | 959 | 131.6% |
| Total | 23,249 | 100.0% | 25,500 | 27,900 | 2,400 | 100.0% | 4,651 | 120.0% |

FY2022 H2 Forecast

Sales by Product (Old Category)

(Millions of yen)

| | 2021 H2 | | 2022 H2 | | | | YoY change | |
|--------------------------|-------------|------------|-------------------|------------------|--------|------------|------------|--------|
| | Performance | % of sales | Original forecast | Revised forecast | Change | % of sales | Change | Ratio |
| Printers | 7,401 | 31.8% | 9,200 | 10,050 | 850 | 36.0% | 2,648 | 135.8% |
| Plotters | 590 | 2.5% | 650 | 700 | 50 | 2.5% | 110 | 118.6% |
| 3D Products (DGSHAPE) | 3,660 | 15.8% | 4,250 | 4,750 | 500 | 17.0% | 1,090 | 129.8% |
| Supplies | 7,497 | 32.3% | 7,300 | 8,200 | 900 | 29.4% | 703 | 109.4% |
| Others | 4,099 | 17.6% | 4,100 | 4,200 | 100 | 15.1% | 101 | 102.5% |
| Total | 23,249 | 100.0% | 25,500 | 27,900 | 2,40 | 100.0% | 4,651 | 120.0% |

FY2022 Forecast

(Millions of yen)

| | | 2021 | | 2022 | | | YoY change | |
|---------------------------------|-----|-------------|------------|-------------------|------------------|--------|------------|--------|
| | | Performance | % of sales | Original forecast | Revised forecast | Change | % of sales | Change |
| Net Sales | | 45,095 | 100.0% | 49,400 | 519,00 | 100.0% | 6,804 | 115.1% |
| Gross Profit | | 23,063 | 51.1% | 25,500 | 26,300 | 50.7% | 3,236 | 114.0% |
| SGA cost | | 17,007 | 37.7% | 18,200 | 18,700 | 36.0% | 1,693 | 110.0% |
| Operating Profit | | 6,056 | 13.4% | 7,300 | 7,600 | 14.6% | 1,544 | 125.5% |
| Ordinary Profit | | 6,082 | 13.5% | 7,300 | 7,800 | 15.0% | 1,718 | 128.2% |
| Net Profit* ¹ | | 3,733 | 8.3% | 5,300 | 5,500 | 10.6% | 1,766 | 147.3% |
| EPS (yen) | | 299.88 | | 425.42 | 441.34 | | | |
| Average FX rate (Unit : yen) | USD | 109.81 | | 113.00 | 127.00 | | | |
| | EUR | 129.93 | | 128.00 | 135.00 | | | |

*¹ Net profit attributable to owners of parent

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

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

FY2022 Forecast

(Millions of yen)

| | 2021 | | 2022 | | | | YoY change | |
|----------------------------|-------------|------------|----------|---------------|--------|------------|------------|--------|
| Sales by Markets | Performance | % of sales | Original | Revised | Change | % of sales | Change | Ratio |
| Visual Communication | 20,238 | 44.9% | 22,600 | 23,400 | 800 | 45.1% | 3,161 | 115.6% |
| Digital Fabrication | 10,008 | 22.2% | 11,200 | 12,150 | 950 | 23.4% | 2,141 | 121.4% |
| Dental | 6,601 | 14.6% | 7,250 | 7,850 | 600 | 15.1% | 1,248 | 118.9% |
| Service, Software & Others | 8,247 | 18.3% | 8,350 | 8,500 | 150 | 16.4% | 252 | 103.1% |
| Total | 45,095 | 100.0% | 49,400 | 51,900 | 2,500 | 100.0% | 6,804 | 115.1% |
| Sales by Products | | | | | | | | |
| Hardware | 22,668 | 50.3% | 26,800 | 27,800 | 1,000 | 53.6% | 5,131 | 122.6% |
| Supplies | 14,437 | 32.0% | 14,400 | 15,850 | 1,450 | 30.5% | 1,412 | 109.8% |
| Service parts & Others | 7,989 | 17.7% | 8,200 | 8,250 | 50 | 15.9% | 260 | 103.3% |
| Sales by Regions | | | | | | | | |
| Japan | 4,533 | 10.0% | 4,850 | 4,850 | 0 | 9.3% | 316 | 107.0% |
| North America | 14,015 | 31.1% | 16,450 | 18,500 | 2,050 | 35.6% | 4,484 | 132.0% |
| Europe | 17,168 | 38.1% | 17,600 | 17,800 | 200 | 34.3% | 631 | 103.7% |
| Asia | 3,230 | 7.2% | 3,750 | 3,500 | (250) | 6.7% | 269 | 108.4% |
| Others | 6,148 | 13.6% | 6,750 | 7,250 | 500 | 14.0% | 1,101 | 117.9% |
| Total | 45,095 | 100.0% | 49,400 | 51,900 | 2,500 | 100.0% | 6,804 | 115.1% |

FY2022 Forecast

Sales by Product (Old Category)

(Millions of yen)

| | 2021 | | 2022 | | | | YoY change | |
|--------------------------|-------------|------------|-------------------|------------------|--------|------------|------------|--------|
| | Performance | % of sales | Original forecast | Revised forecast | Change | % of sales | Change | Ratio |
| Printers | 14,411 | 32.0% | 17,550 | 18,200 | 650 | 35.1% | 3,788 | 126.3% |
| Plotters | 1,209 | 2.7% | 1,250 | 1,250 | 0 | 2.4% | 40 | 103.4% |
| 3D Products (DGSHAPE) | 7,047 | 15.6% | 8,000 | 8,300 | 300 | 16.0% | 1,252 | 117.8% |
| Supplies | 14,437 | 32.0% | 14,400 | 15,900 | 1,500 | 30.6% | 1,462 | 110.1% |
| Others | 7,989 | 17.7% | 8,200 | 8,250 | 50 | 15.9% | 260 | 103.3% |
| Total | 45,095 | 100.0% | 49,400 | 51,900 | 2,500 | 100.0% | 6,804 | 115.1% |

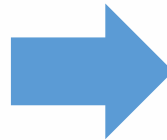
Change in sales disclosure category

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 |

New product category overview

| Market | | Customer / User | Key Products | Uses and Applications |
|----------------------------|------------|--|--|--|
| Visual Communication | VC-Solvent | <ul style="list-style-type: none"> ➤ Sign shops ➤ Printing shops | <ul style="list-style-type: none"> ➤ Solvent printers ➤ Solvent inks | <ul style="list-style-type: none"> ➤ Outdoor sign ➤ Store interior/displays ➤ Banners ➤ Car wrapping |
| | VC-Other | <ul style="list-style-type: none"> ➤ Sign shops ➤ Printing shops ➤ Print / design companies | <ul style="list-style-type: none"> ➤ UV printers ➤ UV inks ➤ Flat UV Printer ➤ Textile printers ➤ Large format cutters | <ul style="list-style-type: none"> ➤ Out/indoor sign ➤ Stickers and labels ➤ Design prototypes ➤ Textile / apparel |
| Digital Fabrication | | <ul style="list-style-type: none"> ➤ Small/semi- industrial business ➤ Retail stores ➤ Sole business owners | <ul style="list-style-type: none"> ➤ Small solvent printers ➤ Small UV printers ➤ UV inks ➤ 3D milling machines, Engravers ➤ Metal printers ➤ Small cutting machines ➤ Customizel, New area (Co-Creation) | <ul style="list-style-type: none"> ➤ Personalized goods ➤ Gift, novelties ➤ Iron prints ➤ Customization usage ➤ Parts, design prototyping |
| Dental | | <ul style="list-style-type: none"> ➤ Dental labs ➤ Dental clinics | <ul style="list-style-type: none"> ➤ Dental milling machines ➤ Dental Supply | <ul style="list-style-type: none"> ➤ Dental crowns ➤ Inlays ➤ Denture ➤ Abatement |
| Service, Software & Others | | <ul style="list-style-type: none"> ➤ Distributors ➤ Customers | <ul style="list-style-type: none"> ➤ Service parts incl. Printer heads ➤ 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

UV Printer (Flat)



IU-1000F

Textile printer



XT-640

Large format cutters



GR2-640 GR2-540



Posters



Labels



Packages



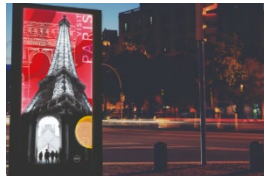
Displays



Apparel / textile



Signage



Electric sign



Window display



Package films



Canvas art



Apparel / soft sign



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

3D milling



MDX-50

Medal Printer



MPX-95

Customization/New



LEC2 S-Series



Phone Case



Photo frame



Iron Print



Novelties



Key holder



Stickers



Prototype



Custom goods



PParts prototype



Gift



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-52DCi



Crowns

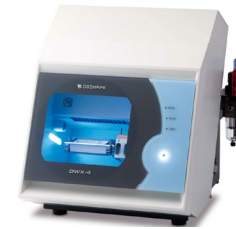


Bridges



Dentures

4-axis dry milling
(Compact)



DWX-4



Pin material milling

4-Axis wet milling



DWX-42W



Abutment milling
(Implant base)

Products by New Category

VC-Solvent

VC-Other

Digital Fabrication

Dental

Service, Software
& Others



Service parts incl. heads



Service & Maintenance

Software
(Future revenue stream)



Roland DG Connect
for Everything Creative



DGS SHAPE 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.