



April 18, 2017

To whom it may concern:

Company Name: Roland DG Corporation
Representative: Hidenori Fujioka, President
Listing: First Section, Tokyo Stock Exchange (Stock Code: 6789)
Contact: Kouichi Hashimoto, Director and President of Corporate Division
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Announcement of Resolution of Action through Settlement and Recording of Extraordinary Losses

We hereby announce that a patent infringement action in the U.S. (hereinafter, the “Action”), which had been filed by Gerber Technology LLC (hereinafter, “Gerber”) headquartered in the U.S. against the Company and its U.S. sales subsidiary, Roland DGA Corporation (hereinafter, “DGA”) at the United States District Court for the District of Connecticut, was resolved through settlement.

1. Background from the Commencement of Action to Settlement

The Company has been engaged in the development, manufacture and sale of products using technology to print and cut graphics (hereinafter, the “Products”).

As we announced on January 31, 2007 and April 12, 2010, DGA was sued on January 30, 2007 by Gerber Scientific International, Inc. to have infringed a patent right regarding the method and equipment to obtain graphic products using printing and cutting technology, which has been obtained by it in the U.S., (issued on July 16, 1996, re-issued on May 2, 2006) by using such patent technology in the Products. In addition, the Company was also sued jointly with DGA as a joint defendant on April 9, 2010. Subsequently, the status in actions of Gerber Scientific International, Inc. was succeeded to Gerber after the change of company name and organizational changes. The term of the patent right had expired in July, 2013.

Though the Company and DGA have argued that the Products do not constitute the patent infringement as alleged by Gerber in the past legal proceedings, we have agreed on April 18, 2017 with Gerber to reach a settlement upon mutual concessions in the course of legal proceedings.

2. Profile of Subsidiary

(1) Company name: Roland DGA Corporation
(2) Address: 15363 Barranca Parkway, Irvine, CA 92618 U.S.A.
(3) Name and Title of Representative: CEO David W. Goward
(4) Business Area: Sales of Computer Peripheral Equipment
(5) Capital: US\$4,196 thousand

3. Outline of Opponent in Settlement

(1)Name: Gerber Technology LLC
(2)Address: 24 Industrial Park Road West, Tolland, Connecticut U.S.A.

4. Contents of Settlement

The Company and DGA pay the settlement money of approximately 12.3 million US dollars to Gerber and the both parties withdraw their arguments and eliminate future disputes between the parties with respect to the patent-in-suit. For avoidance of doubt, the Company and DGA do not admit an infringement of the patent of Gerber by the Products.

5. Impact on Business

The impact of this settlement on the Company's business will be a decrease in net income attributable to owners of parent in this fiscal year by approximately 1 billion yen since the Company records an extraordinary loss of approximately 12.3 million dollars (approximately 1,381 million yen in JPY) in the first quarter.

The Action will be terminated completely with the payment of the settlement money and it will not affect the business from the next fiscal year.

The forecast for the second quarter and full-year results including this case is currently under examination and it will be published with the announcement of the financial results for the first quarter which is scheduled on May 9, 2017.

End