



Company name: Roland DG Corporation

Securities Code: 6789

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# Medium-Term Business Plan (FY 2016 to FY2020)

Roland DG Corporation hereby announces that the Company has created a 5-year medium-term business plan beginning in FY2016, which is described below.

## 1. Background to the Medium-Term Business Plan

In the previous medium-term business plan (FY 2013 to FY2015), we reconsidered our business operations focused on signage markets in developed countries as we recognized that the market had matured, and underwent GlobalOne structural reform to create a group with the flexibility to meet the changing business environment, and to explore opportunities in new business areas and emerging regions. Through aggressive investments, we strengthened both R&D and sales and marketing while completing a revised organizational structure that facilitated both sides working more closely together. Now, this new GlobalOne platform has been completed which enables us to take on group-wide initiatives to drive sustainable growth and create multiple pillars of business to meet the needs of the coming era.

#### 2. Basic Policy of the Medium-Term Business Plan

GrowthOne: Sustainable growth through innovation

## 3. Key Policies

#### (1) Accelerate new business development in growing markets

We are redefining our business focus from "Color & 3D" to "Imaging & Healthcare" and will work on creating and fostering unique new businesses. "Imaging" is the expression of color and shape while delivering new business potential through process reform. "Healthcare" is where we utilize technology to complement the functions of the human body to provide improved safety and customer satisfaction. In this way, we are clearly defining key growing markets where we can utilize our digital technology to accelerate business development through strategic allocation of group resources.

#### Digital Printing for Multiple Uses:

Build a high value-added business by expanding digital printing opportunities to meet personalized needs and by using printing technology that supports a variety of media types and shapes with the capability to unearth niche markets.

#### Retail:

To meet retailer needs such as the personalization of merchandise and to attract foot traffic, we will deliver in-store on-demand customization tools that combine our desktop printing and fabrication devices and our strength in application development for creating a rich customer experience.

#### Textile:

In the fashion industry, private brands and new business models are appearing as fashion needs grow more diverse and personalized. We will develop new high value-added processes that deliver the ability to perform high-variety, low-volume tasks to meet textile industry demands.

### Signage:

Create customer business opportunities through application development, focus on expanding customer value by improving our solutions, and shift to a business model of sustainable profitability by building a customer base in emerging countries using our global sales and marketing network.

#### 3D Monozukuri (Fabrication):

With the advent of 3D printers and the generational shift in engineers, the market has changed dramatically since we developed the company's first 3D milling machine 30 years ago. Initiatives to simplify the imagination to reality process and reform 3D fabrication technology will be applied to a new generation of products for designers, makers and healthcare providers.

#### Dental:

Regenerative medicine and on-demand care is beginning to spread along with the evolution of prosthetic materials. We plan to expand our share by supporting the latest materials and creating digital solutions that leverage our 3D technological strength globally.

#### (2) Transform into a solutions provider

In order to be a company with value creation and market creation as its core growth mechanisms, adaptability to market change is a must. Going forward, it would be difficult to fulfill diversified needs and maintain uniqueness with a single product, so we are working to recreate customer value as a solutions provider. We intend to reform our business model for a new digital networking era by continuing aggressive investments in core technology reform, employing our core strengths of customer support systems including Roland DG Creative Center, Roland DG Academy, and Roland DG Care, while working as a single organization to deliver "all customer value" as a "service" to the customer.

## (3) Transform into an innovation-focused group

We hope to foster innovators with an entrepreneurial spirit by capitalizing on our GlobalOne business platform and taking on the challenges outlined in the medium-term business plan. Then, by transforming into an innovation-focused group that is constantly and flexibly acting on change, we will build a foundation of sustainable growth.

# 4. Consolidated Business Targets

	Results	Medium-Term Plan	
	FY 2015*	FY 2016	FY 2020
	(ended December 31,	(ending December 31,	(ending December 31,
	2015)	2016)	2020)
Sales (¥ billion)	45.1 (47.0)	48.7	76.0
CAGR	_	_	11% (10%)
Operating income (¥ billion)	4.0 (5.3)	4.6	10.0
CAGR	_	_	20% (13%)
Operating income ratio	9% (11%)	9%	13%
ROE	11% (14%)	_	15%
Yearly Average Currency Exchange Rates:			
1 US \$	¥121	¥115 (est.)	
1 euro	¥134	¥125 (est.)	

<sup>\*</sup>For fiscal 2015, non-consolidated is the 9-month period from April to December, while the consolidated calculation period has shifted to the 12-month period from January to December. Figures recalculated for 12 months are shown in brackets for reference.

# 5. Dividend Policy

We place a high priority on returning a portion of our profits to our shareholders by paying out cash dividends based on a target dividend payout ratio of 30% of consolidated net income.

*Note:* The performance targets and figures and strategies in these documents are based on information available at the time of creation and include all inherent risk and uncertainty. All content and future performance is subject to change.