Consolidated Financial Results
for the Three Months Ended June 30, 2011 [JGAAP]

August 5, 2011

Company Name: Roland Corporation

Code Number: 7944
(URL: http://www.roland.co.jp/)

Stock Exchange Listing: Tokyo, Osaka

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Scheduled date to submit the Quarterly Securities Report: August 10, 2011
Scheduled date to commence dividend payments: -
Availability of supplementary briefing material on quarterly results: Available (Japanese only)
Schedule of quarterly results briefing session: Not scheduled

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2011 (From April 1, 2011 to June 30, 2011)

(1) Consolidated Results of Operations (Cumulative) (% indicates changes from the previous period)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Three months ended June 30, 2011	18,164	(5.7)	(247)	-	(313)	-	771	-
Three months ended June 30, 2010	19,255	12.1	428	-	44	-	(308)	-

(Note) Comprehensive income: Three Months Ended June 30, 2011: ¥2,044 million (-%)
Three Months Ended June 30, 2010: ¥(831) million (-%)

	Net income per share	Fully diluted net income per share
	Yen	Yen
Three months ended June 30, 2011	32.44	-
Three months ended June 30, 2010	(12.96)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
Three months ended June 30, 2011	80,383	66,026	61.0	2,062.83
Fiscal year ended March 31, 2011	79,121	64,129	60.2	2,001.90

(Reference) Equity: Three Months Ended June 30, 2011: ¥49,070 million
Fiscal Year Ended March 31, 2011: ¥47,621 million

2. Dividends

	Annual Dividend				
	1Q	2Q	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2011	-	12.50	-	12.50	25.00
Fiscal year ending March 31, 2012	-				
Fiscal year ending March 31, 2012 (Forecast)		10.00	-	10.00	20.00

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

3. Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

(% indicates changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
First half	37,400	(4.8)	(400)	-	(500)	-	400	-	16.82
Full year	80,000	2.2	400	(82.4)	(100)	-	(500)	-	(21.02)

(Note) Revision of financial results forecast from recently announced figures: Yes

4. Others

(1) Significant changes of subsidiaries during the three months ended June 30, 2011 (changes in specific subsidiaries resulting in changes in scope of consolidation): None

(2) Adoption of special accounting treatment for the preparation of quarterly consolidated financial statements: None

(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 (including laws, acts and regulations): None
2) Other changes in accounting policies: None
3) Changes in accounting estimates: None
4) Corrections of errors: None

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

Three months ended June 30, 2011	25,572,404 shares
Fiscal year ended March 31, 2011	25,572,404 shares

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

Three months ended June 30, 2011	1,784,505 shares
Fiscal year ended March 31, 2011	1,784,485 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Three months ended June 30, 2011	23,787,912 shares
Three months ended June 30, 2010	23,788,394 shares

* Presentation regarding the implementation status of the quarterly review process:

These quarterly financial results (not translated into English) are prepared outside the quarterly review process required under the Financial Instruments and Exchange Act. The quarterly review process required under the Financial Instruments and Exchange Act has not been completed at the time of the disclosure of these quarterly financial results.

* Explanation of the proper use of earnings projections and other notes:

The above forecasted performance figures are based on economic environment, business plans of the Company and so on at the time of the release of this report. Therefore, there might be cases in which actual results differ from forecast values. For further information on the assumptions above, please see page 5 "Qualitative Information on Forecast of Consolidated Financial Results."

The supplementary briefing material on quarterly results will be published on the website on Friday, August 5, 2011. (Japanese only)

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The following information has not been translated into English (we have Japanese version only.).

1. Qualitative Information on Consolidated Performance for the Period under Review

(1) Qualitative Information on Consolidated Results of Operations

Results of operations

(Millions of Yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Changes	Change rate
Net sales	19,255	18,164	(1,091)	(5.7%)
Electronic Musical Instruments Business	11,492	10,687	(804)	(7.0%)
Computer Peripherals Business	7,763	7,476	(287)	(3.7%)
Operating income (loss)	428	(247)	(676)	-
Electronic Musical Instruments Business	(24)	(281)	(256)	-
Computer Peripherals Business	452	33	(419)	(92.7%)
Ordinary income (loss)	44	(313)	(357)	-
Net income (loss)	(308)	771	1,079	-

Results of net sales by business segment

(Millions of Yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Changes	Change rate
Electronic musical instruments	4,224	4,208	(15)	(0.4%)
Guitar-related equipment	2,332	2,095	(237)	(10.2%)
Home electronic musical instruments	2,759	2,549	(209)	(7.6%)
Professional video, professional audio and computer music equipment	1,475	1,333	(141)	(9.6%)
Others	700	500	(199)	(28.5%)
Electronic Musical Instruments Business	11,492	10,687	(804)	(7.0%)
Computer Peripherals Business	7,763	7,476	(287)	(3.7%)
Total	19,255	18,164	(1,091)	(5.7%)

Results of net sales by geographical segment (Sales breakdown by location of customers)

(Millions of Yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011	Changes	Change rate
Japan	2,561	2,167	(394)	(15.4%)
North America	3,392	3,267	(125)	(3.7%)
Europe	4,012	3,690	(321)	(8.0%)
Others	1,525	1,562	36	2.4%
Electronic Musical Instruments Business	11,492	10,687	(804)	(7.0%)
Japan	889	803	(86)	(9.7%)
North America	1,640	1,820	180	11.0%
Europe	2,677	2,649	(28)	(1.1%)
Others	2,556	2,203	(352)	(13.8%)
Computer Peripherals Business	7,763	7,476	(287)	(3.7%)
Total	19,255	18,164	(1,091)	(5.7%)

(Note) Because the importance of Roland (Shanghai) Logistics Co., Ltd. and Roland DG Australia Pty. Ltd., which were non-equity method non-consolidated subsidiaries in the previous consolidated fiscal year, has grown, the companies came into the scope of consolidation from the first quarter ended June 30, 2011.

During the three months ended June 30, 2011, the impact of the Great East Japan Earthquake caused economic activities to stall and individual consumption to slow down in Japan. Although economic conditions continued to follow a mild recovery trend as in the previous fiscal year in North America and Europe, future prospects for Europe remained uncertain due to concerns about the fiscal and financial standing of the Eurozone countries. Also, in emerging countries, China and Brazil in particular, even though the speed of economic expansion slowed down, their economies showed sustained growth.

In this business climate, the Electronic Musical Instruments Business took initiatives to stimulate new demand by introducing many new high-value-added products into the market as well as marketing directly to a wide range of customers through contests and product events, etc. The Company also continued to focus its efforts on expanding its sales and distribution network through the promotion of global expansion of shop-in-shops and proposal of applications in the education field.

By product, even though sales of electronic drums and guitar synthesizers were up year on year because new products went on sale, sales of digital piano products and guitar effects, which were robust in the previous fiscal year, fell year on year.

By region, sales were robust in North America and Europe but grew sluggishly in Japan as a result of the great impact of the earthquake. Also, in emerging markets, although sales rose in China and Central and South America, especially Brazil, sales were sluggish in other regions on the whole.

As a result, due in part to the effect of the strong yen, net sales decreased by 7.0% year on year, to ¥10,687 million. Concerning the profit and loss, owing to the increase in purchasing costs for overseas sales companies as well as a deterioration in the cost-to-sales ratio through a decrease in production output stemming from a shortage of parts procurement following the earthquake, the Company posted operating loss of ¥281 million (from operating loss of ¥24 million for the same period of the previous fiscal year).

In the Computer Peripherals Business, by product sales, although sales of printers fell year on year, sales of 3D products were steady, and sales of supplies grew well mainly overseas.

By region, the willingness to make capital investments by corporations waned in Japan, leading to a year-on-year decrease in sales. In North America, sales of printers in particular were strong, posting a year-on-year increase. In Europe also, sales were robust as a result of aggressive promotional activities and other efforts. In Asia, on the other hand, sales declined year on year overall because of a disparity in the extent of economic recovery depending on the country and region.

On the production front, considering the status of parts procurement affected by the earthquake, the Company curbed production output and also took the stance of giving priority to the supply of existing mainstay products.

As a result, partly owing to the effect of the strong yen, net sales in this segment decreased by 3.7% year on year, to ¥7,476 million. Concerning the profit and loss, due to the increase in purchasing costs for overseas sales companies as well as a deterioration in the cost-to-sales ratio through a decrease in production output, operating income decreased by 92.7% year on year, to ¥33 million.

As a result of the factors described above, overall net sales decreased by 5.7% year on year, to ¥18,164 million, and operating loss was ¥247 million (from operating income of ¥428 million for the same period of the previous fiscal year). In addition, ordinary loss was ¥313 million (from ordinary income of ¥44 million for the same period of the previous fiscal year), and net income was ¥771 million (from net loss of ¥308 million for the same period of the previous fiscal year) as a result of the recording of deferred tax assets in connection with the absorption-type merger of Roland SG Corporation, a consolidated subsidiary.
The average exchange rates for the three months ended June 30, 2011 were 82 yen to the US dollar (from 91 yen for the same period of the previous fiscal year), and 113 yen to the euro (from 126 yen for the same period of the previous fiscal year). Also, since the fiscal year of foreign consolidated subsidiaries is from January to December, and the first quarter is from January to March, financial results have not been affected by the earthquake.

Results of net sales by business segment are as follows.

<Electronic Musical Instruments Business>
[Electronic musical instruments]
With respect to sales of synthesizers, sales of entry-type products were robust in North America, but sales of high-end products in particular were weak in Japan and Europe. As such, overall sales were flat year on year. Sales of electronic drums rose year on year thanks to the contribution of new low-end products mainly in North America. As for sales of amplifiers for musical instruments, in spite of robust sales of new guitar amplifier products in North America and Central and South America, sales were sluggish in Japan and Asia. As a result, net sales for this segment decreased by 0.4% year on year, to ¥4,208 million.

[Guitar-related equipment]
With regard to guitar effects, in spite of strong new product sales of the compact-type effects, overall sales decreased year on year due to weak sales of the overall lineup, mainly in North America and Europe. In addition, although sales of guitar synthesizers rose substantially year on year because new products went on sale, sales of multi-track recorder products for guitars and guitar tuners were down year on year. As a result, net sales for this segment decreased by 10.2% year on year, to ¥2,095 million.

[Home electronic musical instruments]
Sales of digital pianos on the whole were down year on year because sales of products with new sound engine, which grew substantially in the previous fiscal year, cooled down and production of some products was delayed in Japan due to the impact of the earthquake. Although sales of electronic accordions continued to grow as in the previous fiscal year mainly in Europe, partly owing to the sale of new products for foreign countries, net sales for this segment declined by 7.6% year on year, to ¥2,549 million.

[Professional video, professional audio and computer music equipment]
With respect to professional audio equipment, sales of digital mixers, etc. mainly in Europe were weak. Meanwhile, as for professional video equipment, new all-in-one AV mixer for web streaming, for which demand is expected in a wide range of applications, and video mixers posted year-on-year sales growth. With regard to computer music equipment, in spite of robust sales especially of new products in North America and Europe, sales were generally stagnant in Japan. Furthermore, greatly affected by the decline in sales of portable recorders, net sales for this segment fell by 9.6% year on year, to ¥1,333 million.

[Others]
Sales of products including sound engine for online karaoke machines decreased significantly in Japan. Overall net sales for this segment decreased by 28.5% year on year, to ¥500 million.

<Computer Peripherals Business>
With respect to printers, the Company introduced new all-in-one UV printers that are capable of handling printing on thin roll media to thick panel boards and proceeded with cultivating the commercial printing market through the proposal of applications, in addition to the sign market. Furthermore, the Company sought to cultivate new markets, such as the novelty market and gift market, by introducing new desktop size products that enable direct printing on thick materials such as smartphone cases. Nevertheless, owing to weak capital investment intentions in Japan stemming from the impact of the earthquake and the slowdown in growth in Asia, sales of mainstay products declined, with sales of printers decreasing year on year.
In 3D products, new milling machines, which went on sale for the dental market in the previous fiscal year, contributed to sales.
As for supplies, sales especially of inks expanded thanks to an increase in the work volume of overseas users. Also, the Company introduced new inks with high elasticity that allows printing on packages processed in various shapes by combining such inks with UV printers.
As a result, net sales for this segment decreased by 3.7% year on year, to ¥7,476 million.

(2) Qualitative Information on Consolidated Financial Position

Total assets increased by ¥1,262 million from the end of previous consolidated fiscal year to ¥80,383 million. This is mainly attributable to the increase in the amounts of financial statements converted into yen of overseas affiliates which experienced the depreciation of the yen against major currencies from the end of December 2010, the end of the previous fiscal year of overseas affiliates, through the end of March 2011, the end of the first quarter, and a ¥1,026 million increase in merchandise and finished goods due to factors such as the conversion of two affiliates into consolidated subsidiaries. Also, other under investments and other assets, including deferred tax assets, etc., increased by ¥1,491 million while cash and deposits decreased by ¥1,252 million.

Liabilities decreased by ¥634 million from the end of the previous consolidated fiscal year to ¥14,356 million. This is mainly due to an increase in notes and accounts payable-trade by ¥750 million, and decreases in income taxes payable by ¥730 million and provision for bonuses by ¥682 million as a result of payment of income taxes and bonuses.

Net assets increased by ¥1,896 million from the end of the previous consolidated fiscal year to ¥66,026 million. This is mainly due to dividends from surplus of ¥297 million and net income of ¥771 million. Besides, foreign currency translation adjustment increased by ¥926 million thanks to the above-mentioned depreciation of yen, while the conversion of two affiliates into consolidated subsidiaries and other factors contributed to a ¥447 million increase in minority interests.

The equity ratio was 61.0%, up 0.8 points from the end of the previous consolidated fiscal year, mainly due to increases in total assets and net assets stated above.

(3) Qualitative Information on Forecast of Consolidated Financial Results

The Company has revised its forecast of consolidated financial results for the six months ending September 30, 2011 announced on June 10, 2011. Details will be disclosed today in a separate document, titled “Notice of Revision to Forecast of Consolidated Financial Results.”

Note that for the forecast of consolidated financial results for the fiscal year ending March 31, 2012, given the rapid appreciation of the yen and uncertain economic conditions, the Company will defer its estimates announced on June 10, 2011 and publish a revised forecast immediately when an estimate becomes possible.