

Second Quarter of FY2020.3 Performance Outline <IFRS standards>

YAMAHA CORPORATION

November 1, 2019

(Billions of yen)

(1) Key Financial Indicators

	Six Months Results Ended Sept. 30, 2018	Six Months Results Ended Sept. 30, 2019	Results (Previous Year)	Projections (Full Year)	Previous Projections (Full Year) (Announced on Aug. 1, 2019)
	FY2019.3	FY2020.3	FY2019.3	FY2020.3	FY2020.3
Revenue	213.3	208.5	434.4	435.0	444.0
Japan	64.2 (30.1%)	61.9 (29.7%)	129.8 (29.9%)	127.0 (29.2%)	129.0 (29.1%)
Overseas	149.1 (69.9%)	146.6 (70.3%)	304.6 (70.1%)	308.0 (70.8%)	315.0 (70.9%)
Core Operating Profit ⁽¹⁾	26.7 (12.5%)	26.1 (12.5%)	52.7 (12.1%)	53.0 (12.2%)	55.0 (12.4%)
Operating Profit	26.5 (12.4%)	27.6 (13.2%)	52.8 (12.2%)	54.5 (12.5%)	55.0 (12.4%)
Profit before Income Tax	29.2 (13.7%)	28.9 (13.8%)	56.5 (13.0%)	57.0 (13.1%)	58.0 (13.1%)
Net Profit ⁽²⁾	21.2 (9.9%)	21.1 (10.1%)	40.3 (9.3%)	41.5 (9.5%)	42.5 (9.6%)
Currency Exchange Rate ⁽³⁾ (Settlement Rate) (-yen)	110/US\$ 132/EUR	109/US\$ 124/EUR	111/US\$ 131/EUR	110/US\$ ⁽⁷⁾ 122/EUR	110/US\$ 125/EUR
ROE ⁽⁴⁾	11.3%	11.9%	11.1%	11.3%	11.3%
ROA ⁽⁵⁾	7.5%	8.2%	7.5%	7.9%	8.0%
Basic Profit per Share	116.4yen	118.3yen	222.1yen	232.6yen	238.2yen
Capital Expenditures (Depreciation Expenses)	8.0 (5.3)	7.2 (5.4)	16.0 (10.6)	22.0 (12.7)	22.0 (12.7)
R&D Expenses	12.1	12.3	24.9	26.5	26.5
Cash Flows					
Operating Activities	7.2	19.0	35.5	59.0	62.0
Investing Activities	-13.3	-5.4	-23.1	-20.0	-22.0
Free Cash Flow	-6.1	13.6	12.4	39.0	40.0
Inventories at End of Period	107.6	106.1	101.0	99.0	100.7
Number of Employees					
Japan	5,832	5,736	5,736	5,700	5,700
Overseas	14,588	14,668	14,639	15,400	15,400
Total ⁽⁶⁾	20,420	20,404	20,375	21,100	21,100
(Changes from the changes in the scope of consolidation)	-	-	-	-	-
Temporary Staff (Average during the period)	7,949	8,261	7,733	7,800	7,800
Revenue by Business Segment					
Musical Instruments	137.8 (64.6%)	138.7 (66.5%)	279.5 (64.3%)	281.0 (64.6%)	285.5 (64.3%)
Audio Equipment	56.3 (26.4%)	54.5 (26.2%)	120.1 (27.7%)	121.0 (27.8%)	123.5 (27.8%)
Others	19.1 (9.0%)	15.3 (7.3%)	34.8 (8.0%)	33.0 (7.6%)	35.0 (7.9%)
Core Operating Profit by Business Segment					
Musical Instruments	20.4	22.3	40.8	43.0	43.0
Audio Equipment	4.1	3.7	9.6	10.0	11.0
Others	2.2	0.2	2.3	0.0	1.0

The Yamaha Group has applied the International Financial Reporting Standards (IFRS) from the first quarter of fiscal year ending March 31, 2020 (FY2020.3).

*1 Core operating profit is corresponding to operating income under the Japanese GAAP, and is calculated deducting SG&A from gross profit.

*2 Net profit is presented as net profit attributable to owners of the parent under IFRS standards.

*3, 7 Currency exchange rate is the export and import transaction rate applied to profit calculation. 2H Currency Exchange Rates US\$=110JPY EUR=120JPY

*4, 5 ROE and ROA are calculated on an annually adjusted basis.

*6 Number of employees = Number of full-time staff at end of the period

The Company made a decision related to the acquisition of treasury shares at the meeting of the Board of Directors held on November 1, 2019. The effect of this decision on acquisition of treasury shares has not been taken into the projections for FY2020.3.

Consolidated financial forecasts were prepared based on information available at the time of the announcement and do not represent promises by the Company or its management that these performance figures will be attained.
Actual consolidated results may differ from forecasts owing to a wide range of factors.

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(2) Revenue by Business Segment and Region

(Billions of yen)

Six Months Results Ended Sept. 30, 2019 (April-Sept. 2019)	Musical Instruments		Audio Equipment		Others		Total	
	Revenue	Change*	Revenue	Change*	Revenue	Change*	Revenue	Change*
Japan	37.6	99%	13.1	104%	11.2	83%	61.9	96%
North America	28.2	104%	13.0	99%	1.8	133%	43.0	103%
Europe	23.3	105%	15.1	104%	0.1	72%	38.5	105%
China	25.9	111%	4.3	86% (99%)	0.9	41%	31.0	102%
Asia, Oceania, and other areas	23.7	105%	9.1	98%	1.3	69%	34.1	101%
Total	138.7	104%	54.5	100% (101%)	15.3	80%	208.5	101%

* Actual year-on-year changes discounting impact of exchange rates

Figures in parenthesis show actual year-on-year change excluding the sales of OEM products