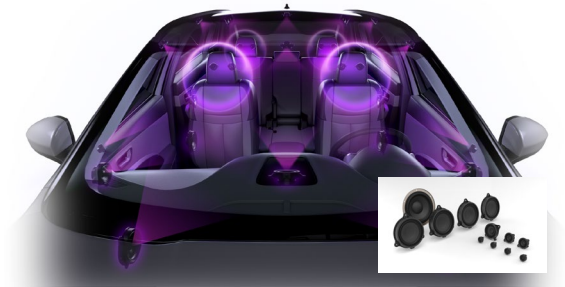




Analyst and Investor Briefing on Third Quarter of FY2023.3

(Fiscal year ending March 31, 2023)



February 8, 2023

Yamaha Corporation

FY2023.3 3Q Highlights

Overview

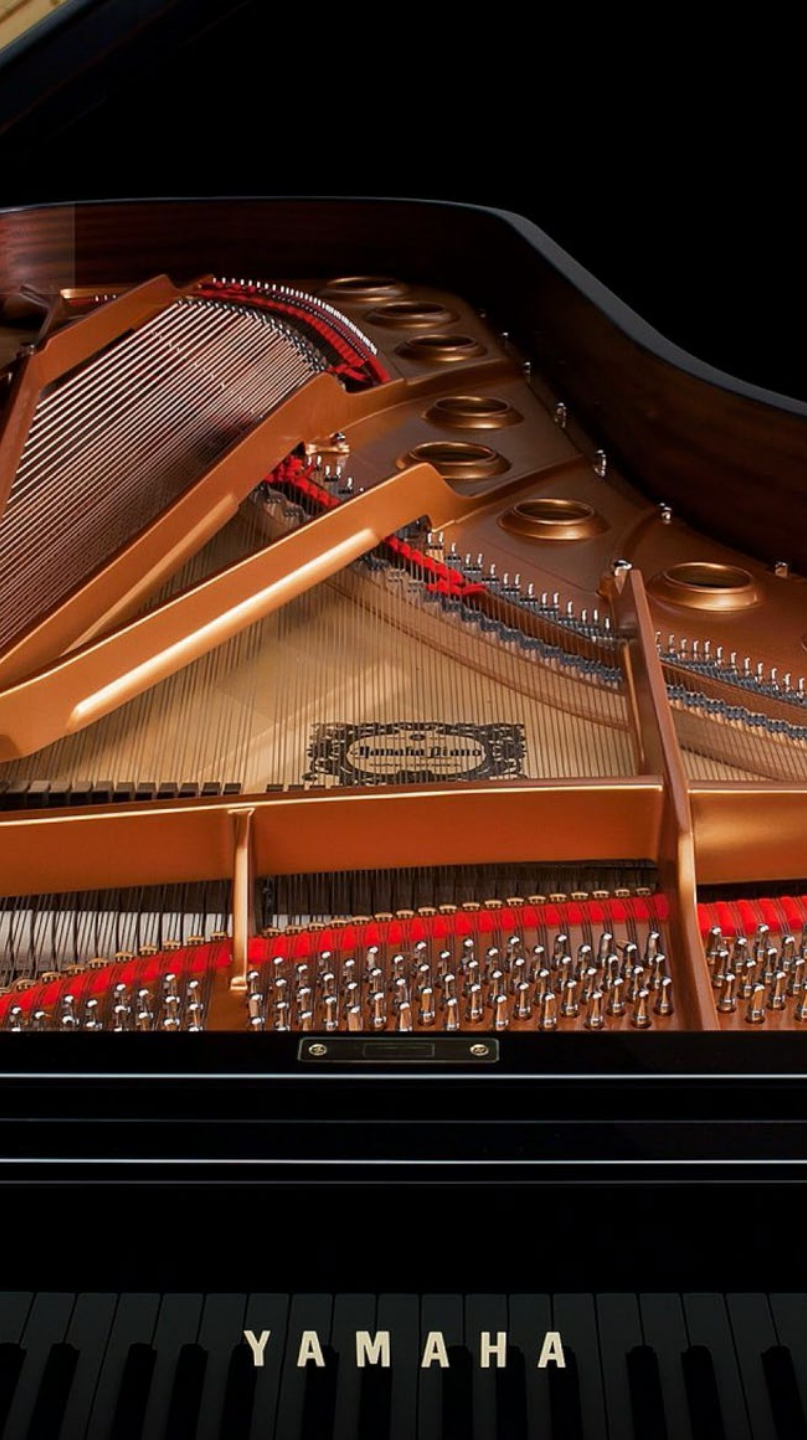
Performance in the first three quarters of FY2023.3 (nine months)

- Although challenges were presented by semiconductor procurement difficulties, reduced demand for entry-level models, and disruption in China due to the COVID-19 pandemic, revenue increased year-on-year, partly due to the impact of exchange rates.
- In addition to increased revenue including price adjustments in response to rising costs, the impact of exchange rates also contributed to an increase in profit.

Outlook

FY2023.3 full year outlook

- Although full year forecasts have been revised downward due to continued disruption in China because of the COVID-19 pandemic and expansion of decreasing in consumption in Europe, revenue and profit are both projected to increase year-on-year.



1. Performance Summary

FY2023.3 3Q (Nine Months) Summary

(billions of yen)

	FY2022.3 1-3Q	FY2023.3 1-3Q	Change (YoY)	
			Change (YoY)	Change (YoY)
Revenue	302.3	338.2	+35.9	+11.9% ^{*2}
Core Operating Profit (Core Operating Profit Ratio)	34.9 (11.5%)	38.7 (11.5%)	+3.9	+11.1%
Net Profit ^{*1}	30.0	30.0	0	0%

Exchange Rate (yen)

Revenue (Average rate during the period)	US\$	111	136
	EUR	131	141
Profit (Settlement rate)	US\$	111	136
	EUR	131	135

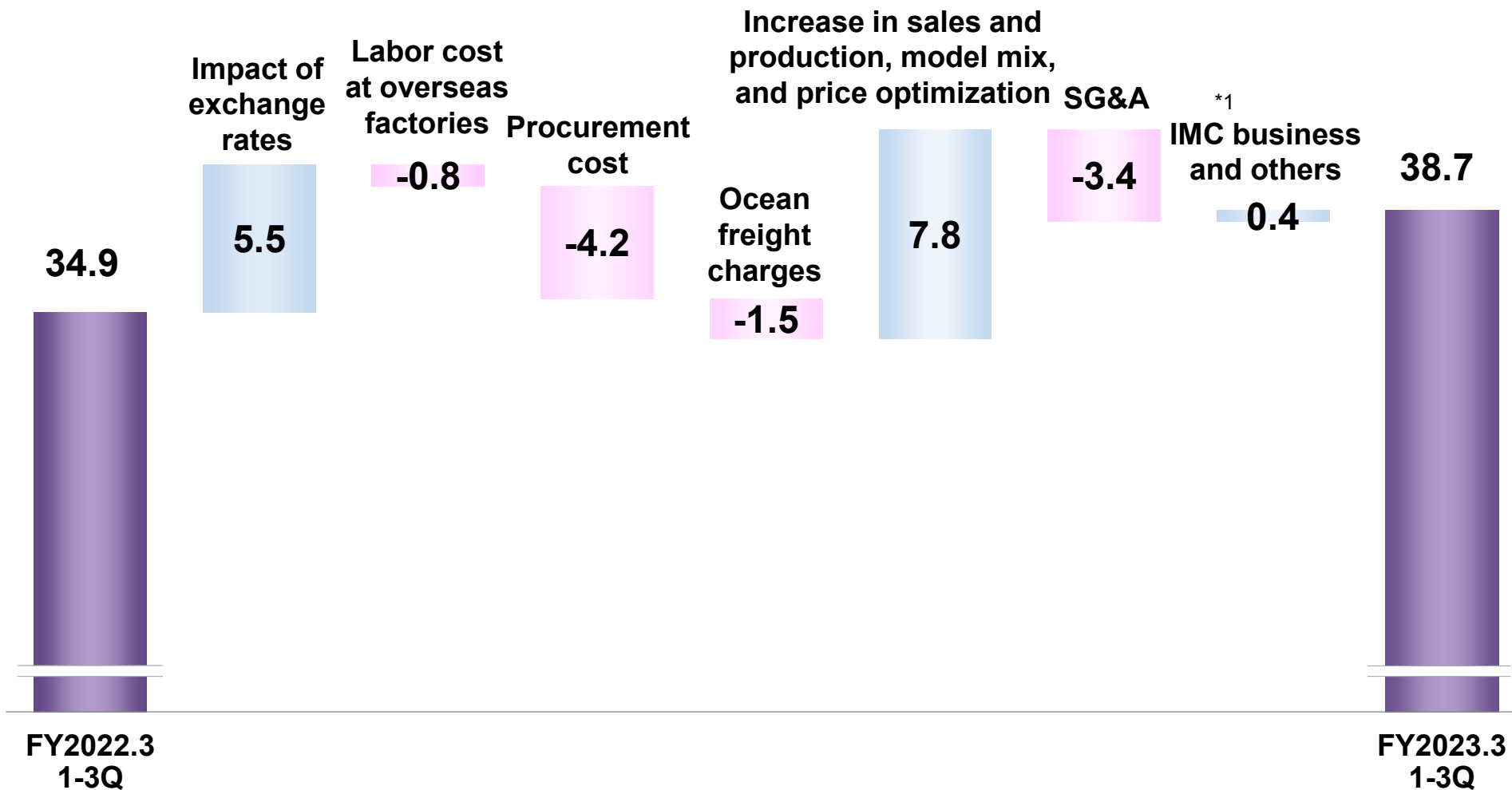
^{*2} -0.1%
(Excluding the impact of exchange rate)

*1 Net profit is presented as net profit attributable to owners of parent on the consolidated financial statements.

Core Operating Profit Analysis

Versus previous year

(billions of yen)



*1 Industrial Machinery and Components

Performance by Business Segment

(billions of yen)

		FY2022.3 1-3Q	FY2023.3 1-3Q	Change	Exchange rate impact
Musical Instruments	Revenue	204.7	230.4	25.7	25.9
	Core Operating Profit	29.1	31.4	2.3	6.2
	Core Operating Profit Ratio	14.2%	13.6%	-0.6P	
Audio Equipment	Revenue	70.7	76.1	5.4	7.3
	Core Operating Profit	1.6	1.7	0.1	-1.7
	Core Operating Profit Ratio	2.2%	2.2%	0P	
IMC^{*1} Business and Others	Revenue	26.9	31.6	4.7	3.0
	Core Operating Profit	4.2	5.6	1.5	1.0
	Core Operating Profit Ratio	15.5%	17.8%	+2.3P	

*1 Industrial Machinery and Components

FY2023.3 Outlook

(billions of yen)

	FY2022.3 Full year	FY2023.3 Full year (previous projections)	FY2023.3 Full year (projections)	Change	Change from the previous projections
Revenue	408.2	470.0	450.0	+41.8 ^{*2}	-20.0
Core Operating Profit (Core Operating Profit Ratio)	43.0 (10.5%)	52.0 (11.1%)	48.0 (10.7%)	+5.0	-4.0
Net Profit ^{*1}	37.3	41.0	37.0	-0.3	-4.0

^{*2} -0.1%
(Excluding the impact of exchange rate)

Exchange Rate (yen)		Currency sensitivity per JPY1			
Revenue (Average rate during the period)	US\$	112	137	135	JPY 1,050 million
	EUR	131	139	140	JPY 590 million
Profit (Settlement rate)	US\$	112	136	135	JPY 110 million
	EUR	131	137	136	JPY 360 million

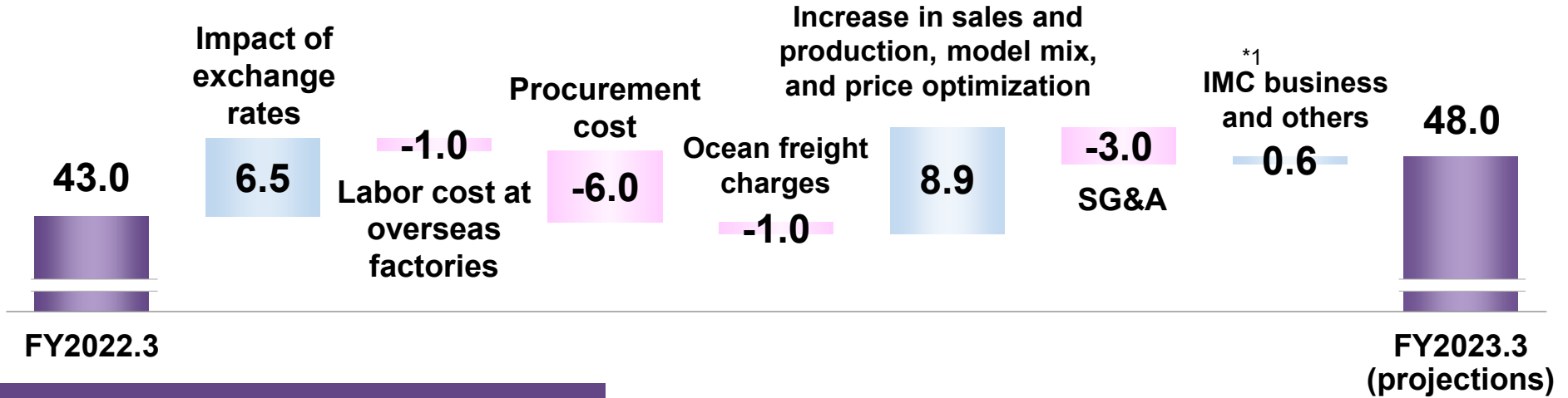
* 4Q currency exchange rates
US\$=130JPY, EUR=140JPY

*1 Net profit is presented as net profit attributable to owners of parent on the consolidated financial statements.

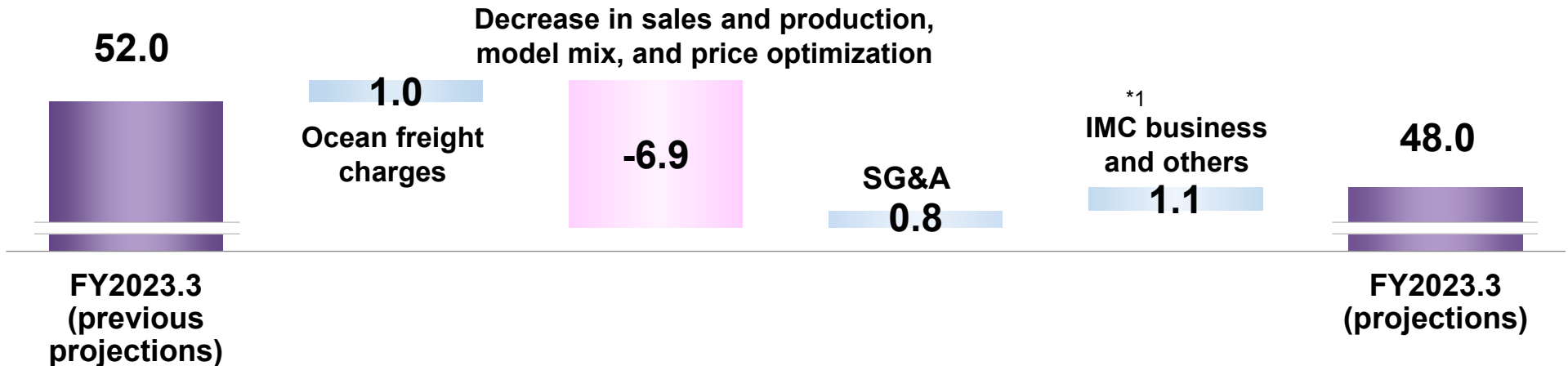
Core Operating Profit Analysis

(billions of yen)

Versus previous year



Versus previous projections



*1 Industrial Machinery and Components

Outlook by Business Segment

(billions of yen)

		FY2022.3 Full year	FY2023.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	Revenue	276.2	303.0	26.8	30.0
	Core Operating Profit	37.3	39.0	1.7	7.1
	Core Operating Profit Ratio	13.5%	12.9%	-0.6P	
Audio Equipment	Revenue	96.9	106.0	9.1	8.8
	Core Operating Profit	1.5	3.0	1.5	-1.7
	Core Operating Profit Ratio	1.6%	2.8%	+1.2P	
IMC^{*1} Business and Others	Revenue	35.1	41.0	5.9	3.4
	Core Operating Profit	4.2	6.0	1.8	1.2
	Core Operating Profit Ratio	11.8%	14.6%	+2.8P	

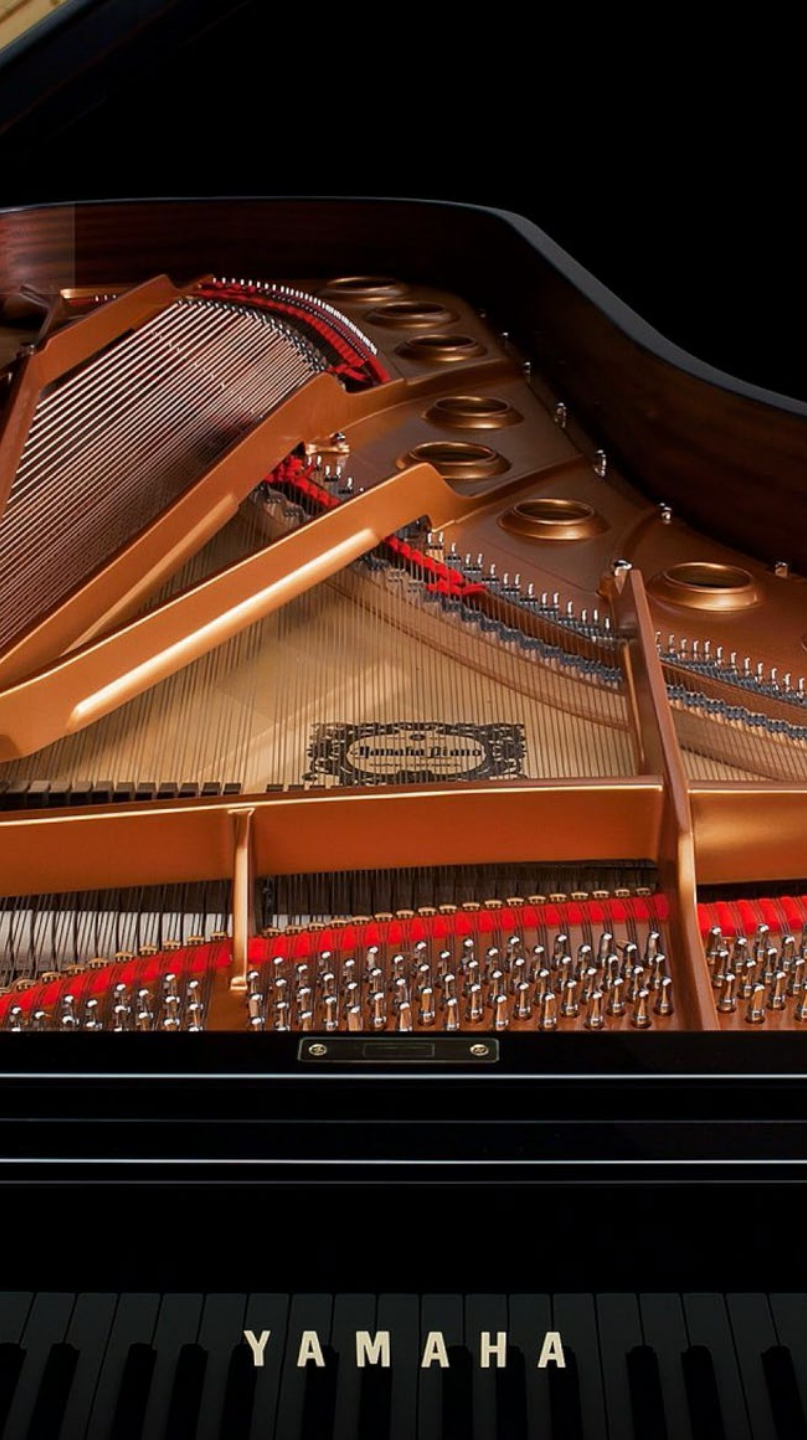
*1 Industrial Machinery and Components

Outlook by Business Segment

(billions of yen)

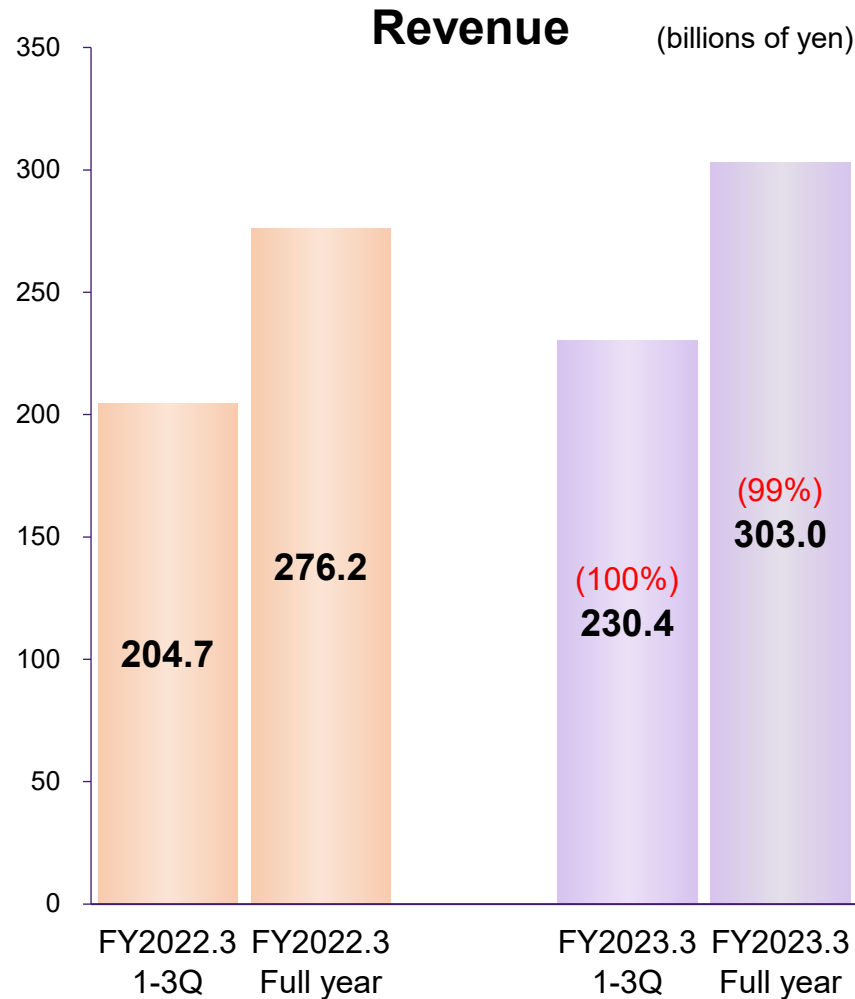
		FY2023.3 Full year (previous projections)	FY2023.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	Revenue	320.0	303.0	-17.0	-2.4
	Core Operating Profit	44.0	39.0	-5.0	-0
	Core Operating Profit Ratio	13.8%	12.9%	-0.9P	
Audio Equipment	Revenue	108.0	106.0	-2.0	-0.6
	Core Operating Profit	3.0	3.0	0	0.1
	Core Operating Profit Ratio	2.8%	2.8%	0P	
IMC ^{*1} Business and Others	Revenue	42.0	41.0	-1.0	-0.2
	Core Operating Profit	5.0	6.0	1.0	-0.1
	Core Operating Profit Ratio	11.9%	14.6%	+2.7P	

*1 Industrial Machinery and Components



2. Segment Overview & Updates

Segment Revenue and Core Operating Profit

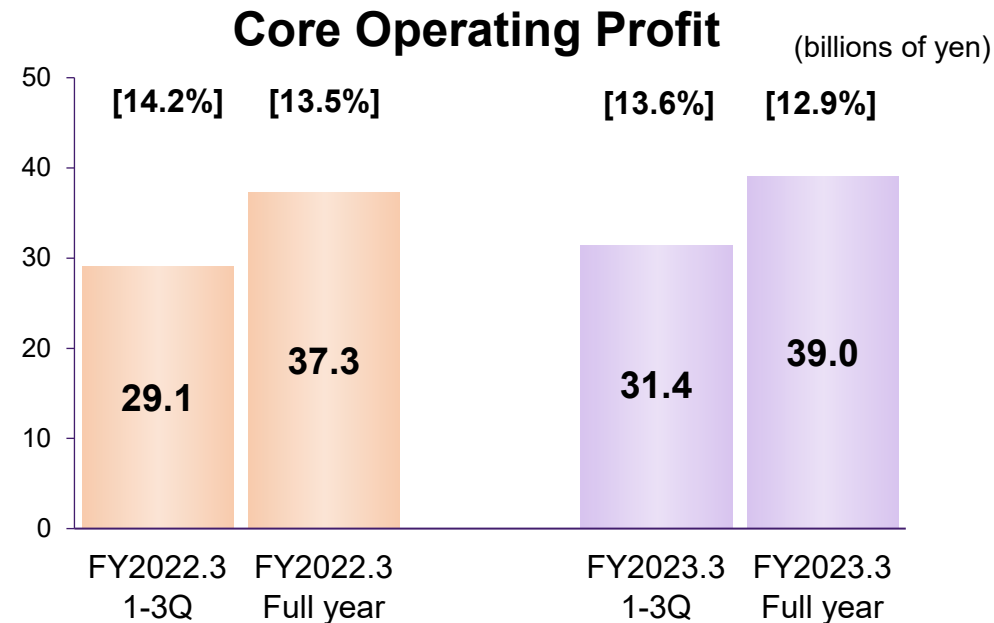


Nine months: On par with the same period of the previous year due to COVID-related disruption in China and reduced demand for entry-level models

- Piano sales declined due to the impact of COVID-19 in China. Although demand for entry-level models fell, sales of digital musical instruments were on par with the same period of the previous year. Strong sales of wind, string, and percussion instruments in North America fueled double-digit growth, and guitar sales also increased due to strong demand for electric guitars.
- Demand for mid-range and high-level models remains robust.

Full year projections: Sales expected to fall due to deteriorating market conditions in China and Europe

- Piano sales are projected to decline due to continued COVID-related disruption in China. Digital musical instrument sales are expected to decline as demand for entry-level models continues to fall, especially in Europe. North America is projected to drive double-digit growth in sales of wind, string, and percussion instruments, and guitar sales are also expected to rise. (Comments are on local currency basis)



Revenue by Major Product Category

(billions of yen)

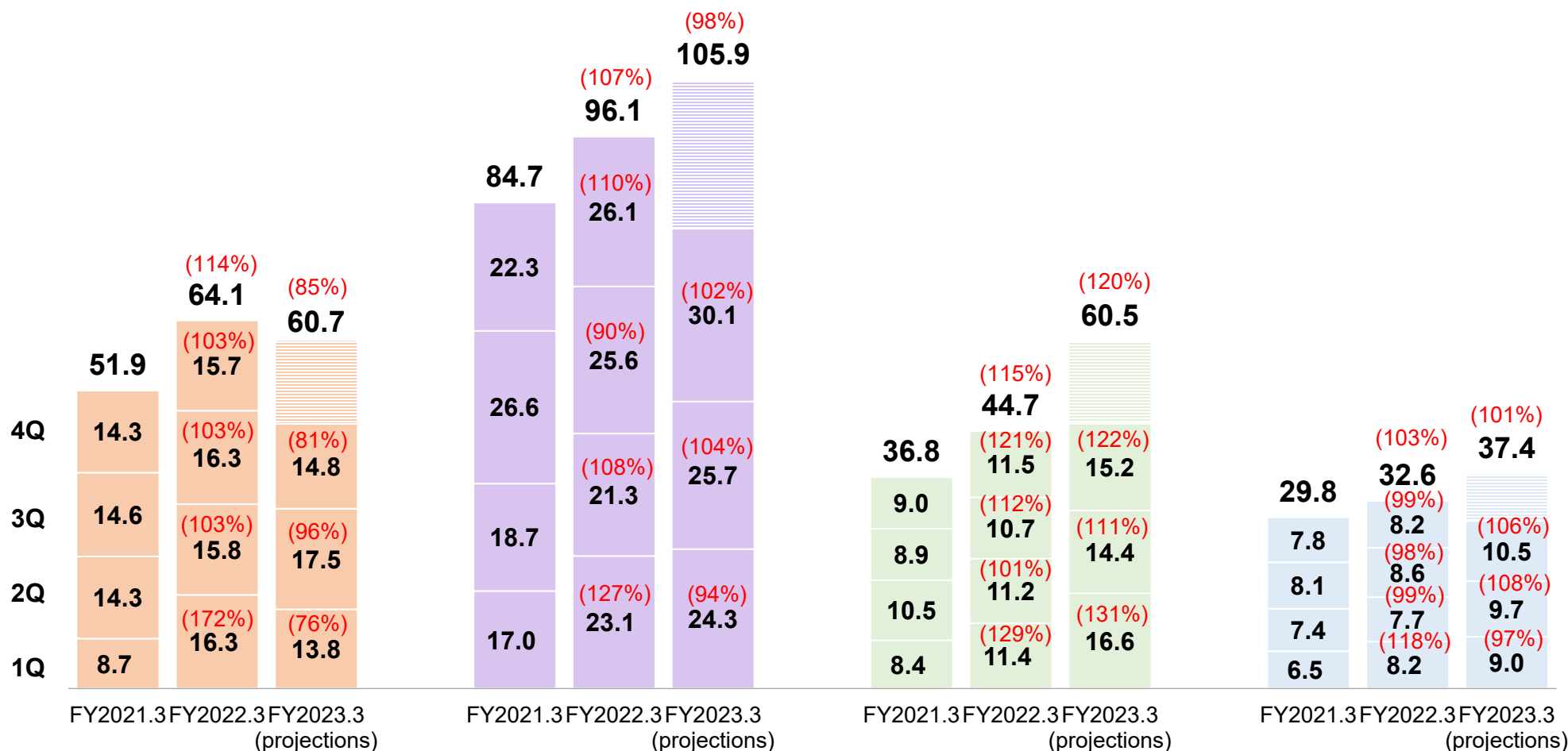
Pianos

Digital Musical Instruments

Winds, Strings /Percussion

Guitars

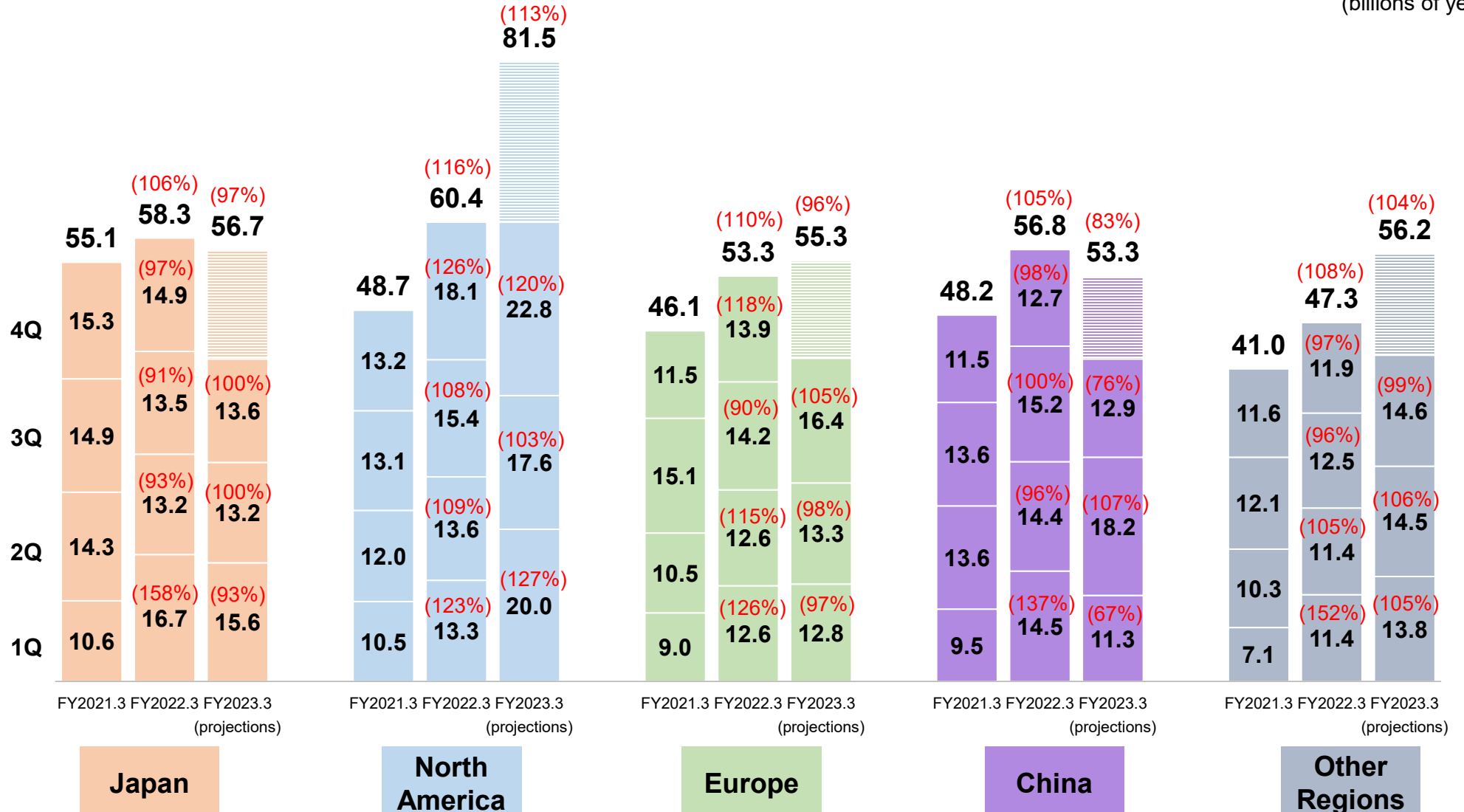
* Guitars include Line 6 and Ampeg products



Red figures show actual YoY changes discounting impact of exchange rates

Revenue by Region

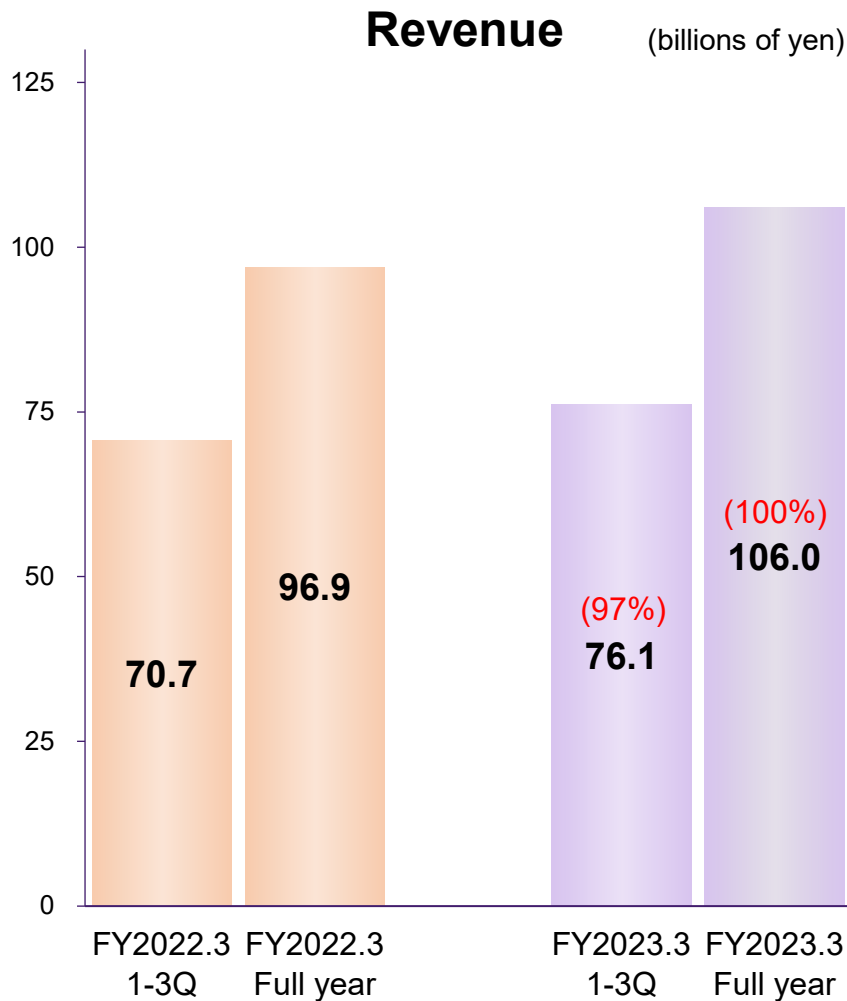
(billions of yen)



* Software products and music schools included

Red figures show actual YoY changes discounting impact of exchange rates

Segment Revenue and Core Operating Profit



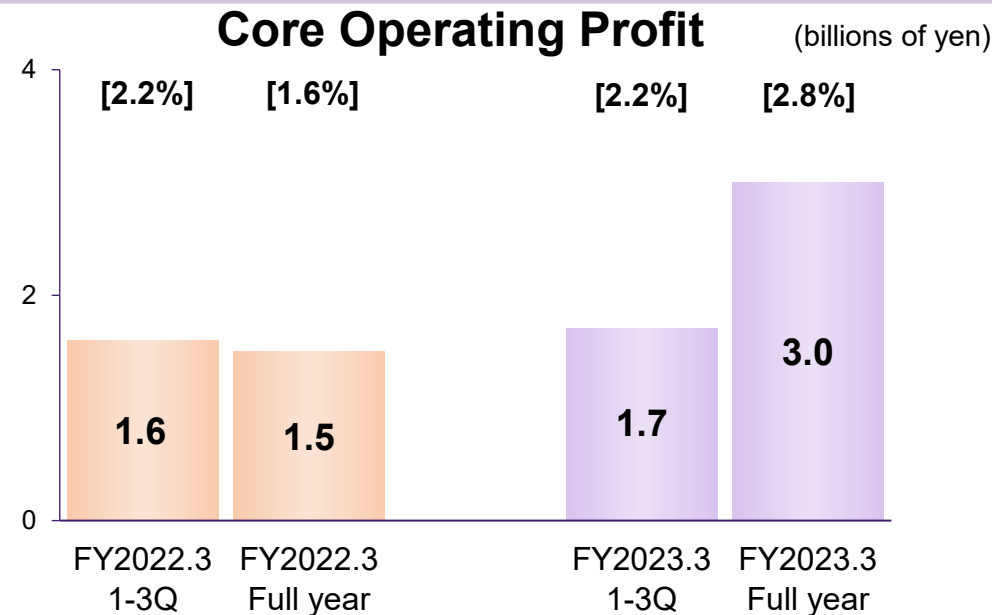
Nine months: Although sales started to rise in 3Q (3 months), cumulative nine-month sales are down year-on year

- **AV:** Sales declined due to supply shortage caused by semiconductor procurement difficulties and headwinds for entry-level models.
- **PA:** Improved supply of digital mixers contributed to a rise in sales.
- **ICT:** Healthy demand for network devices drove double-digit growth.

Full year projections: A rebound in PA equipment is projected to maintain sales at a similar level to the previous year

- **PA:** Semiconductor procurement difficulties are expected to be mostly resolved in 4Q, and sales are likely to increase.
- **ICT:** A double-digit rise in sales is expected due to increased corporate demand for conference systems in addition to strong demand for network devices.

(Comments are on local currency basis)



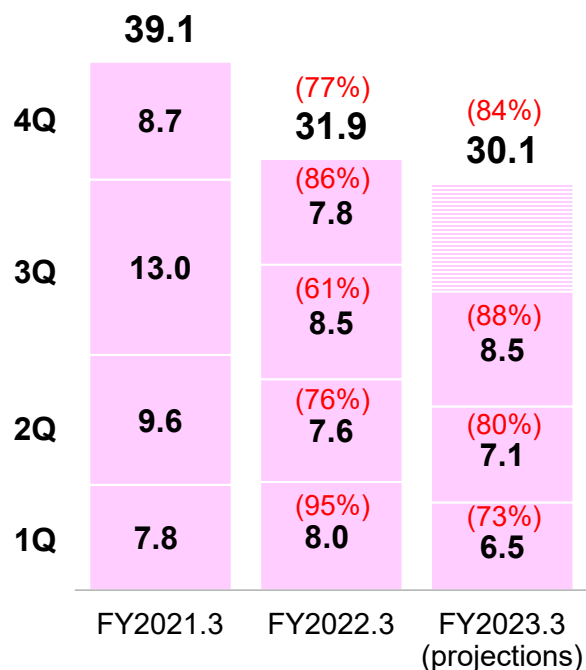
Red figures show actual YoY changes discounting impact of exchange rates

Figures in [] indicate core operating profit ratio

Revenue by Major Product Category

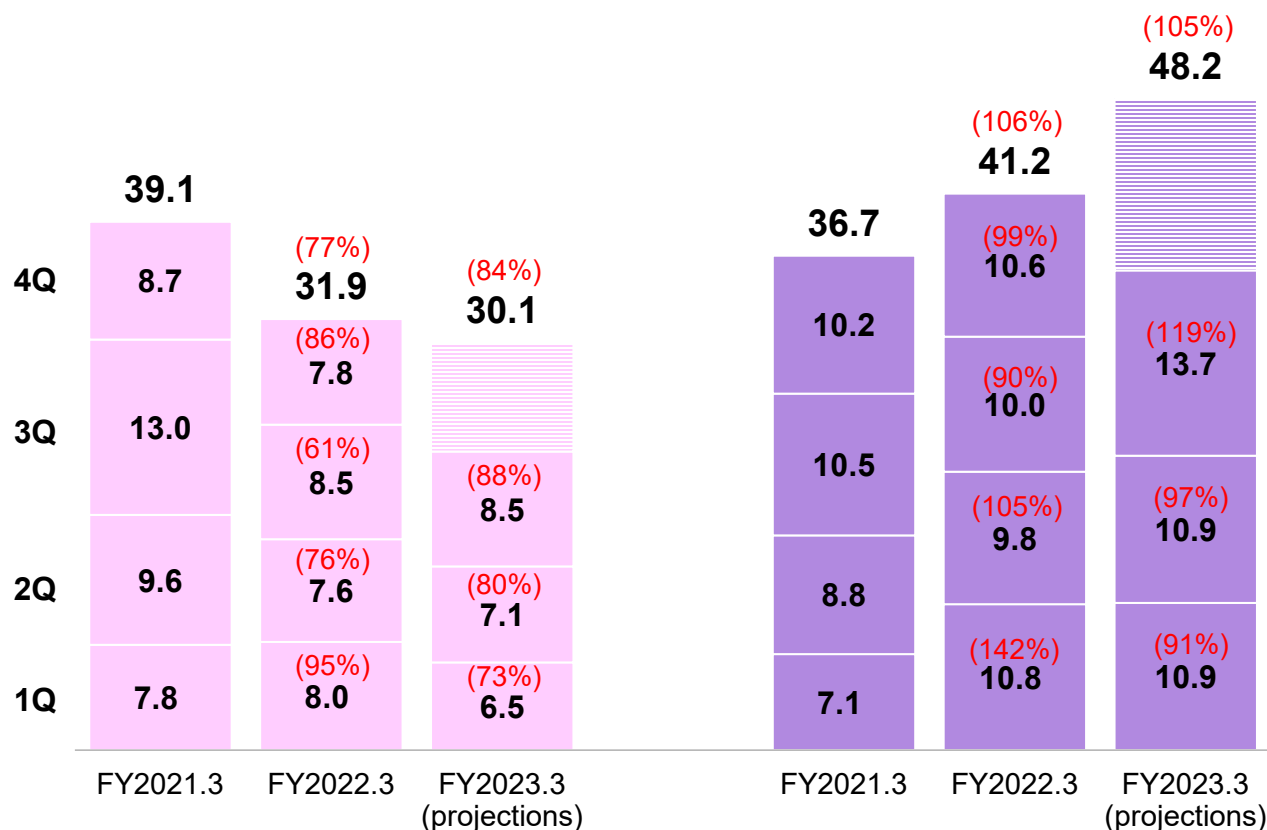
(billions of yen)

AV Products

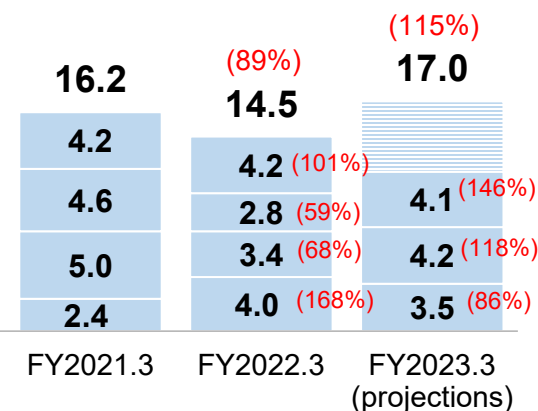


PA Equipment

PA Equipment includes only sales of products for PA Equipment (excluding engineering and installation services)

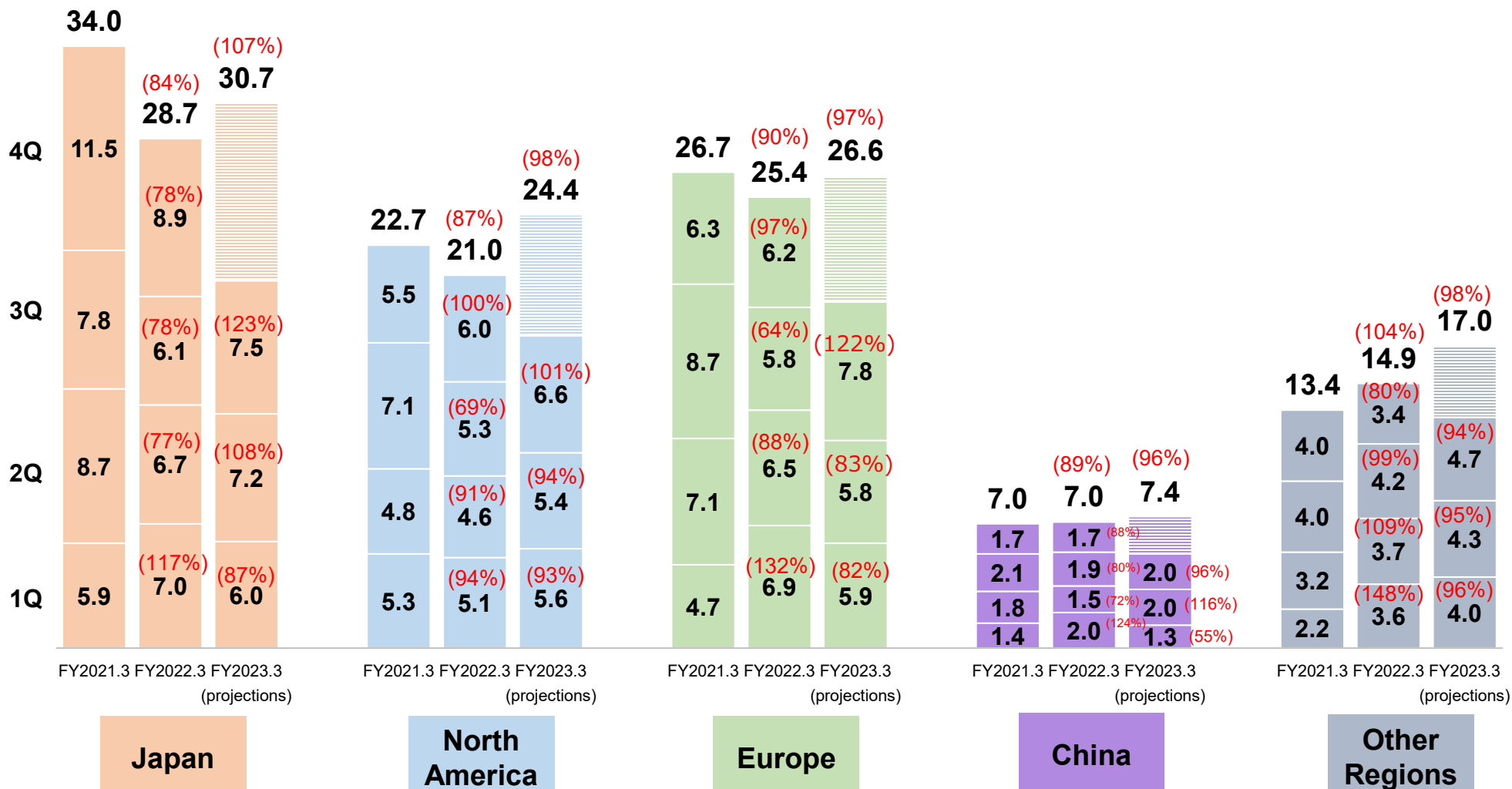


ICT Equipment



Revenue by Region

(billions of yen)

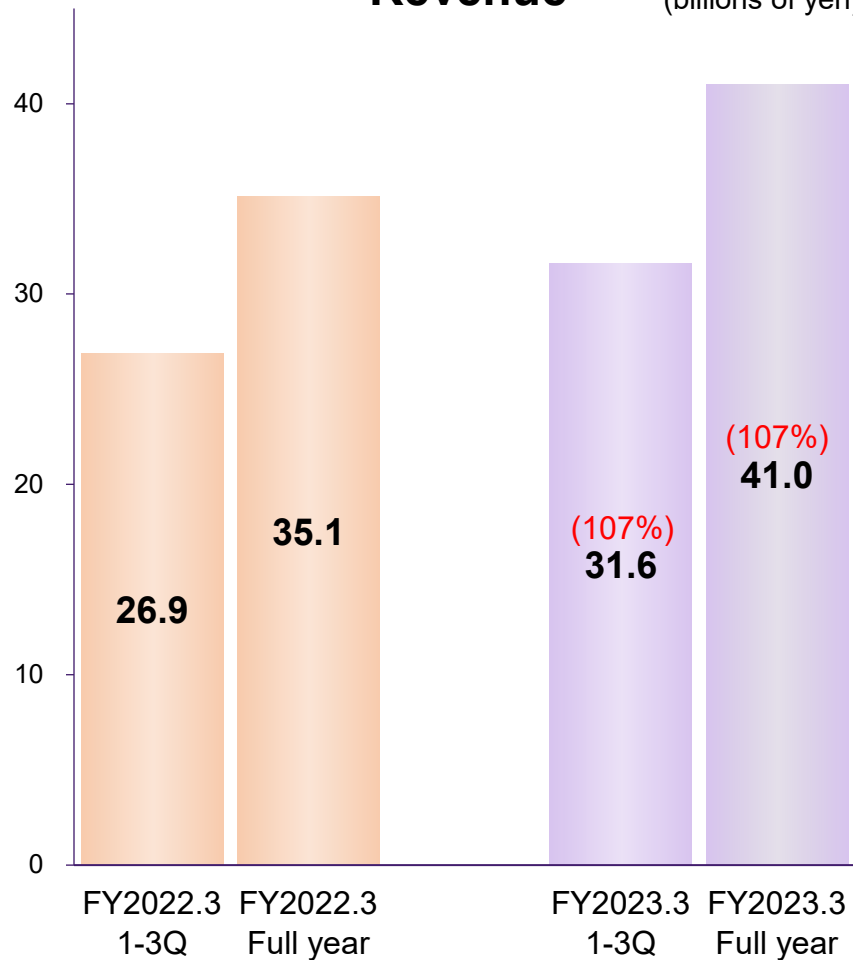


Red figures show actual YoY changes discounting impact of exchange rates

Segment Revenue and Core Operating Profit

Revenue

(billions of yen)



Nine months

- Semiconductor procurement difficulties abated, and electronic device sales increased.
- Sales of automobile interior wood components and factory automation equipment declined.

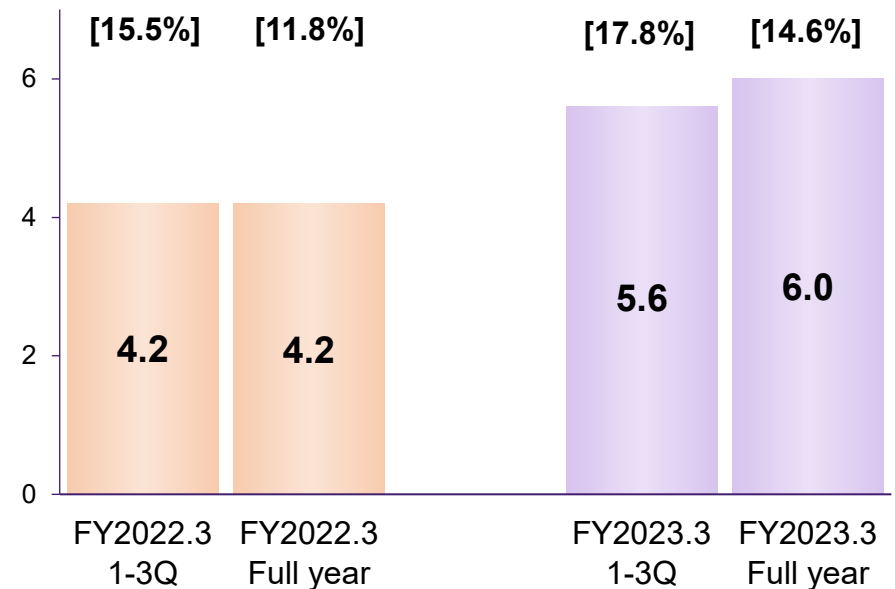
Full year projections

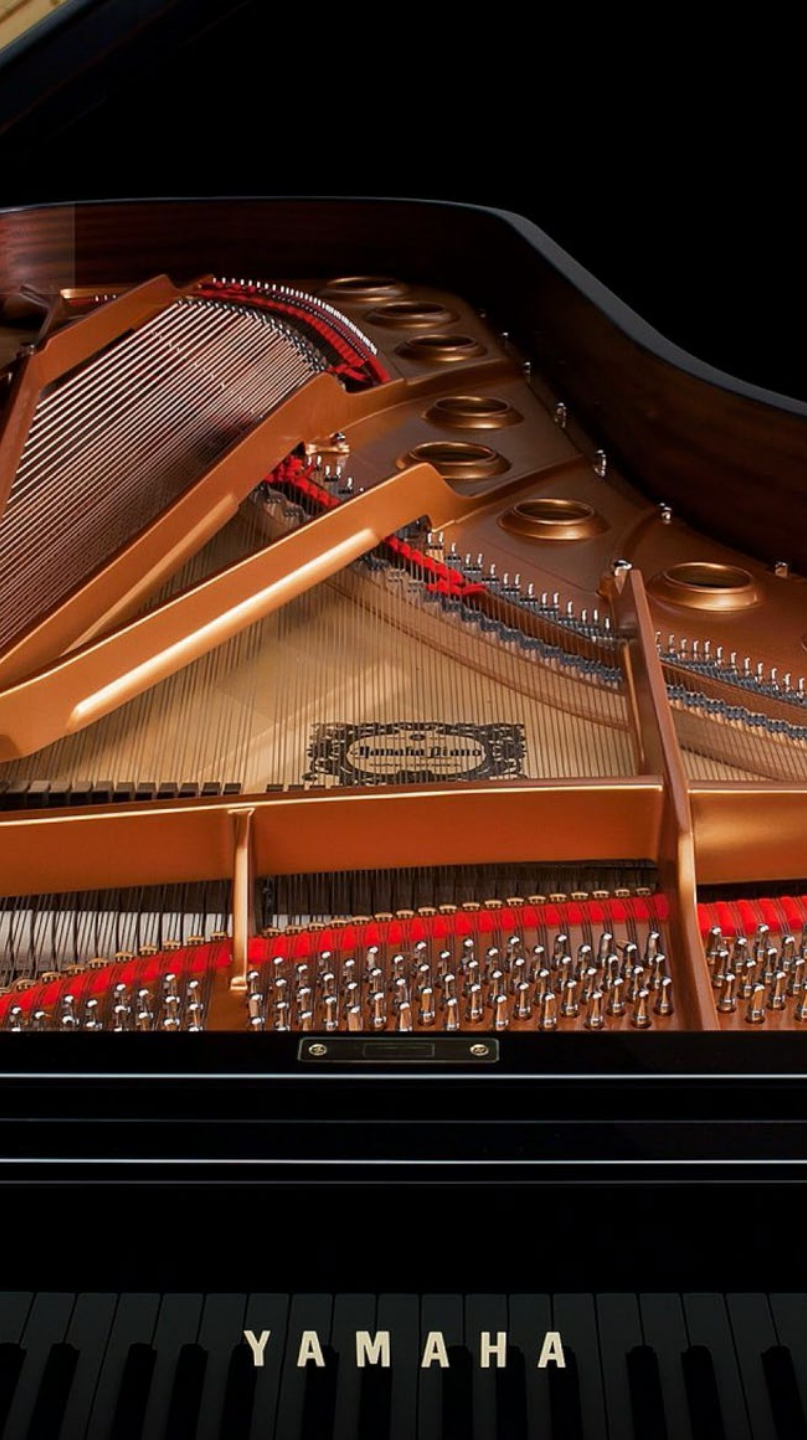
- Sales are projected to increase due to expansion of automotive-related business.
- Profits are expected to rise year-on-year due to abatement of semiconductor procurement difficulties and improvement in gross profit.

(Comments are on local currency basis)

Core Operating Profit

(billions of yen)





3. Other Financial Figures

Balance Sheet Summary

(billions of yen)

	As of March 31, 2022	As of Dec. 31, 2022	Change	As of March 31, 2023 (projections)
Cash and cash equivalents	172.5	114.1	-58.4	141.5
Trade and other receivables	60.0	69.4	9.4	64.5
Other financial assets	4.4	1.1	-3.3	1.0
Inventories	118.6	156.2	37.6	147.0
Other current assets	7.2	11.9	4.7	11.0
Non-current assets	218.3	224.5	6.3	233.5
Total Assets	580.9	577.1	-3.8	598.5
Current liabilities	126.1	95.0	-31.2	107.5
Non-current liabilities	38.9	40.6	1.7	40.5
Total equity	415.9	441.6	25.6	450.5
Total liabilities and equity	580.9	577.1	-3.8	598.5

*The Company made a decision related to the acquisition of treasury shares at the meeting of the Board of Directors held on February 7, 2023. The effect of this decision on acquisition of treasury shares has not been taken into the projections for FY2023.3.

Acquisition of Treasury Shares

Reasons for the acquisition To enhance shareholder returns and capital efficiency

Acquisition period February 8, 2023 to July 31, 2023

Number of shares to be acquired 5 million shares (maximum) representing 2.9% of outstanding shares, excluding treasury shares

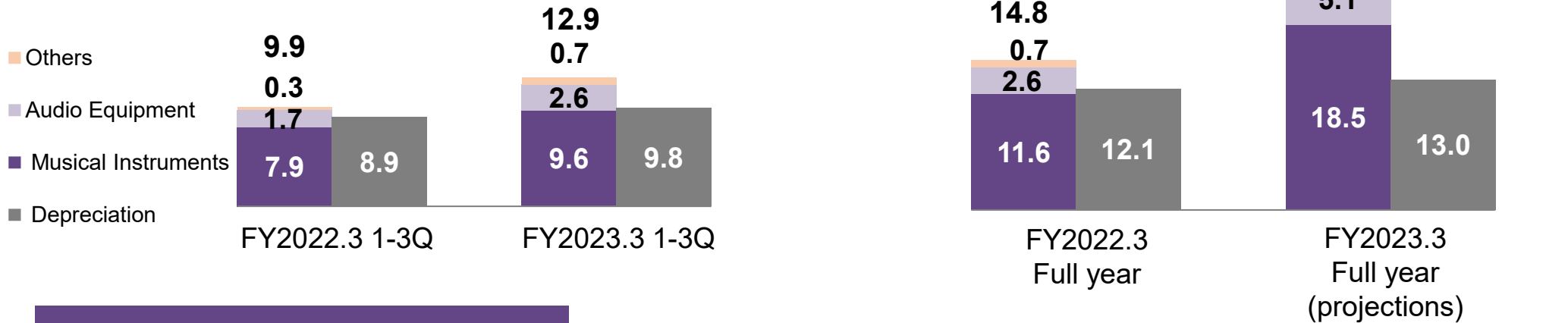
Amount of acquisition ¥15 billion (maximum)

Acquisition method Purchase on the Tokyo Stock Exchange market

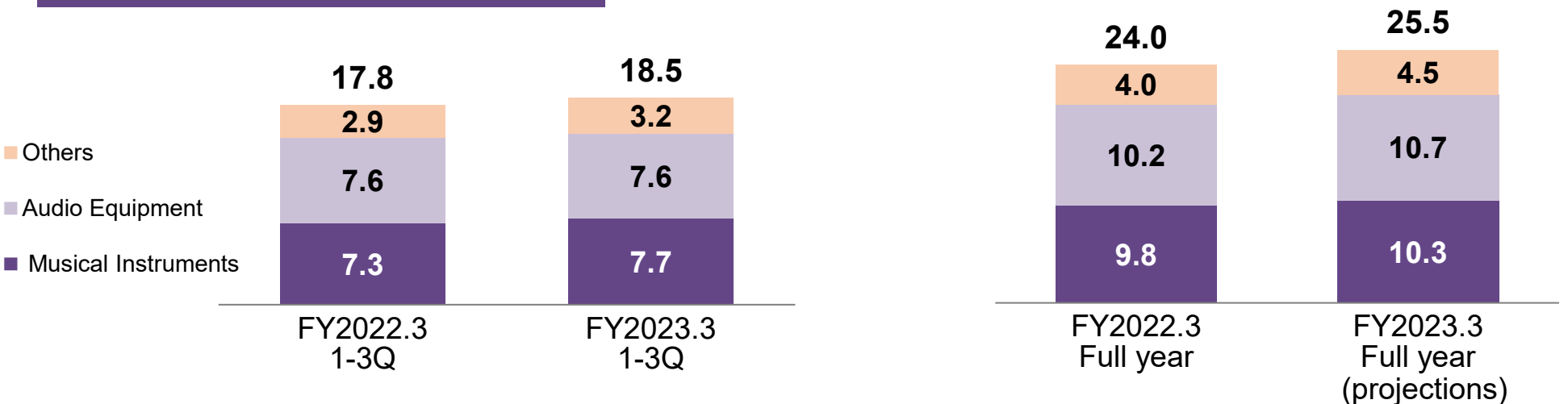
* Total number of outstanding shares (excluding treasury shares) as of December 31, 2022: 171,657,517 shares

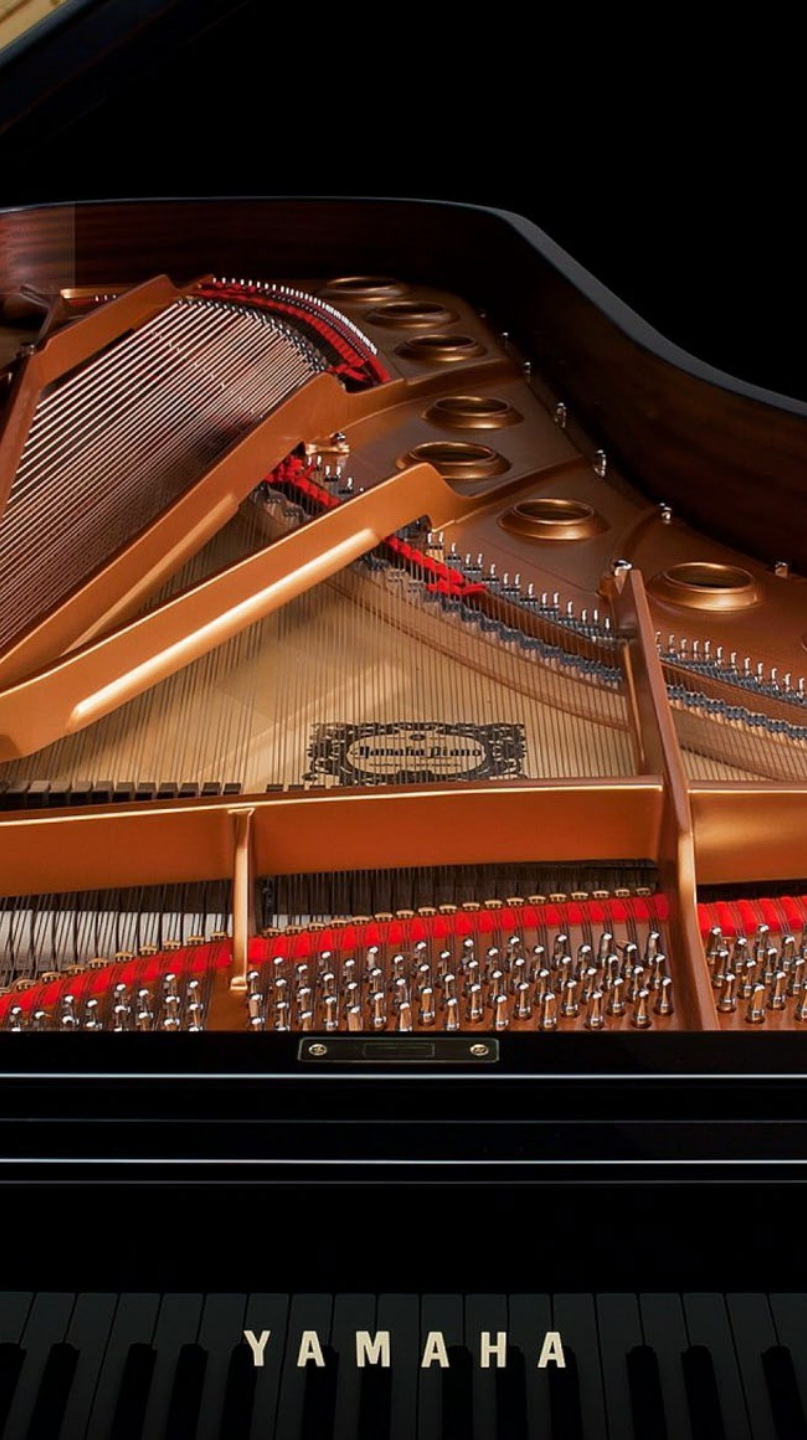
Capital Expenditure/Depreciation, R&D Expense

Capital Expenditure/Depreciation



R&D Expenses





4. Topics

Priority Themes of Make Waves 2.0 (1)

Further strengthen
the business foundation

Develop closer ties with
customers

Debut Exhibition at VR Event

Yamaha made its first VR exhibition at Virtual Market Winter 2022, one of the world's largest market festivals held in a metaverse (virtual reality) venue, offering a forum for experiencing the kind of musical performances and livestreams only possible in virtual reality. (Held in December 2022)



https://www.yamaha.com/ja/news_release/2022/22112201/
<https://winter2022.vket.com/> (in Japanese only)

Online Concert Performances by Students of Yamaha Music School Around the World

Yamaha host the Yamaha International Highlight Concert 2022 Online Premiere, an online concert performed by students of Yamaha Music Schools operating in over 40 countries and regions around the world.

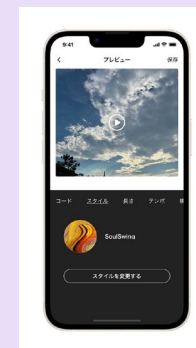


https://www.yamaha.com/en/news_release/2022/22112401/
<https://youtu.be/k3hzMnHJtYg>

Create new value

AmBeat App for Creation of Original Background Music

In January 2023, Yamaha began offering AmBeat via the App Store. Users simply upload video and photo data to AmBeat, and the app automatically creates music to match the images and situations depicted in the visual content.



https://www.yamaha.com/ja/news_release/2023/23011901/
<https://tollite.yamaha.com/Ambeat/> (in Japanese only)

Priority Themes of Make Waves 2.0 (2)

Set sustainability as a source of value

[Environment]

**Build a value chain that supports
the future of the earth and society**

Upcycling Guitar

In the aim of making musical instruments sustainably, Yamaha utilizes the value in unused materials by upcycling offcuts of wood into guitars of uncompromising quality.



<https://www.yamaha.com/en/about/research/reports/upcycling-guitar/>

https://www.yamaha.com/ja/news_release/2022/22120501/
(in Japanese only)

[Culture]

**Expand market through the
promotion and development of
music culture**

Instrumental Music Education Initiatives in Emerging Countries

https://www.yamaha.com/en/about/initiatives/school_project/examples/



Japanese-style music education has been expanded to 40 public schools in Egypt.

https://www.yamaha.com/ja/news_release/2022/22111801/



Yamaha's project in India to introduce instrumental music education has been adopted as an EDU-Port Supported Project backed by the Ministry of Education, Culture, Sports, Science and Technology of Japan in the aim of introducing Japanese-style education overseas.
https://www.yamaha.com/ja/news_release/2022/22122301/ (in Japanese only)

Enable Yamaha colleagues to be
more valued, more engaged,
and more committed

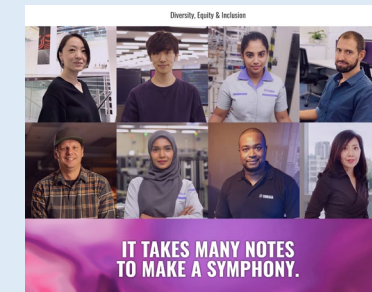
**Promote respect for human
rights and DE&I**

**Awarded the highest ranking of Gold in
the PRIDE INDEX 2022 for four
consecutive years**



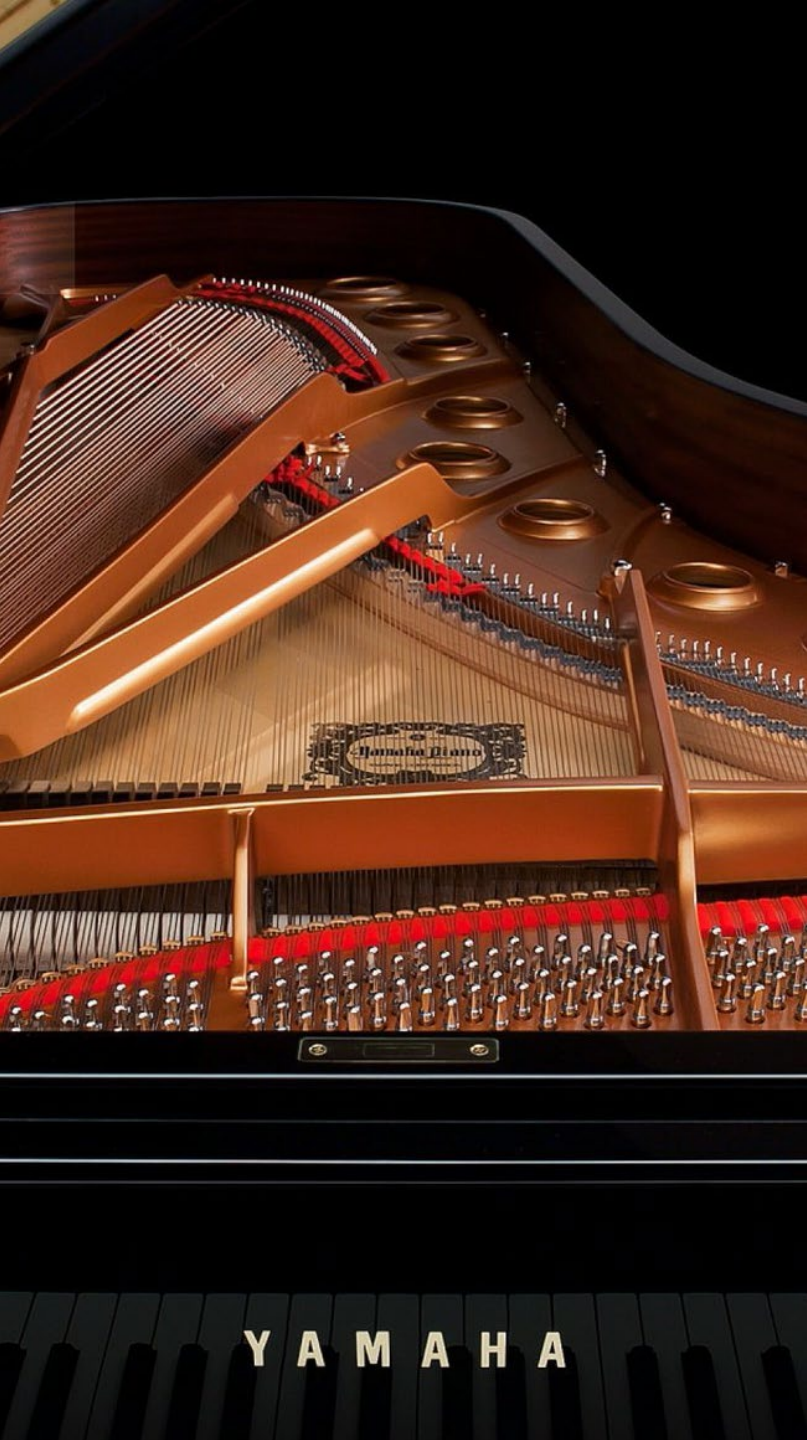
https://www.yamaha.com/en/news_release/2022/22111701/

DE&I Section Launched on Corporate Website



The new website section outlines management's commitment to DE&I and workplace initiatives.

https://www.yamaha.com/en/csr/diversity_equity_inclusion/



Appendix

Performance in 3Q FY2023.3 (Three Months)

(billions of yen)

	FY2022.3 3Q	FY2023.3 3Q	Change	
Revenue	103.8	120.2	+16.4	+15.8% ^{*2}
Core Operating Profit (Core Operating Profit Ratio)	11.4 (10.9%)	14.3 (11.9%)	+3.0	+26.0%
Net Profit ^{*1}	8.6	9.2	+0.6	+7.4%

Exchange Rate (yen)

Revenue (Average rate during the period)	US\$	114	141
	EUR	130	144
Profit (Settlement rate)	US\$	113	144
	EUR	133	137

^{*2}
+3.0 %
(Excluding the impact of exchange rate)

*1 Net profit is presented as net profit attributable to owners of parent on the consolidated financial statements.

Performance by Business Segment in 3Q FY2023.3 (Three Months)

(billions of yen)

		FY2022.3 3Q	FY2023.3 3Q	Change	Exchange rate impact
Musical Instruments	Revenue	70.9	80.3	9.5	9.3
	Core Operating Profit	9.8	10.8	1.0	2.5
	Core Operating Profit Ratio	13.9%	13.5%	-0.4P	
Audio Equipment	Revenue	23.3	28.7	5.4	2.9
	Core Operating Profit	-0	1.3	1.3	-0.7
	Core Operating Profit Ratio	-0.1%	4.4%	4.5P	
IMC^{*1} Business and Others	Revenue	9.7	11.2	1.5	1.0
	Core Operating Profit	1.6	2.2	0.7	-0
	Core Operating Profit Ratio	16.2%	19.9%	3.7P	

*1 Industrial Machinery and Components

3Q Other Income and Expenses (Nine Months)

(billions of yen)

		FY2022.3 1-3Q	FY2023.3 1-3Q
Core Operating Profit		34.9	38.7
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	4.6	0
	Others	1.1	0.4
	Total	5.8	0.4
Operating Profit		40.6	39.2
Financial Income and Expenses	Dividends income	2.4	1.5
	Others	-1.2	1.2
	Total	1.2	2.7
Profit before Income Taxes		41.9	41.8
Income taxes		11.8	11.8
Net profit attributable to non-controlling interests		0	0
Net Profit^{*1}		30.0	30.0

*1 Net profit is presented as profit attributable to owners of the parent on the consolidated financial statements.

Full Year Other Income and Expenses

(billions of yen)

		FY2022.3 Full year	FY2023.3 Full year (projections)
Core Operating Profit		43.0	48.0
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	4.6	0
	Others	1.7	0.5
	Total	6.3	0.5
Operating Profit		49.3	48.5
Financial Income and Expenses	Dividends income	3.4	2.4
	Others	0.3	0.6
	Total	3.7	3.0
Profit before Income Taxes		53.0	51.5
Income taxes		15.7	14.4
Net profit attributable to non-controlling interests		0.1	0.1
Net Profit^{*1}		37.3	37.0

*1 Net profit is presented as profit attributable to owners of the parent on the consolidated financial statements.

In this report, the figures forecast for the Company's future performance have been calculated on the basis of information currently available to Yamaha and the Yamaha Group. Forecasts are, therefore, subject to risks and uncertainties.

Accordingly, actual performance may differ greatly from our projections depending on changes in the economic conditions surrounding our business, demand trends, and the value of key currencies, such as the U.S. dollar and the euro.