

Second Quarter of FY2017.3 Performance Outline

YAMAHA CORPORATION

November 7, 2016

(Billions of yen)

	Six Months Results Ended Sept. 30, 2015	Six Months Results Ended Sept. 30, 2016	Results (Previous Year)	Projections (Full Year)	Previous Projections (Full Year) (announced on August 2, 2016)
	FY2016.3	FY2017.3	FY2016.3	FY2017.3	FY2017.3
Net Sales	217.5	199.2	435.5	402.0	411.0
Japan Sales	73.1 (33.6%)	67.6 (33.9%)	145.0 (33.3%)	139.6 (34.7%)	140.2 (34.1%)
Overseas Sales	144.3 (66.4%)	131.6 (66.1%)	290.5 (66.7%)	262.4 (65.3%)	270.8 (65.9%)
Operating Income	21.2 (9.8%)	24.6 (12.4%)	40.7 (9.3%)	42.0 (10.4%)	42.0 (10.2%)
Ordinary Income	22.2 (10.2%)	24.5 (12.3%)	40.9 (9.4%)	42.0 (10.4%)	42.0 (10.2%)
Net Income ^(*1)	17.4 (8.0%)	27.2 (13.7%)	32.6 (7.5%)	41.0 (10.2%)	45.5 (11.1%)
Currency Exchange Rate (Settlement Rate) (=yen) ^(*2)	122/US\$ 134/EUR	107/US\$ 123/EUR	121/US\$ 134/EUR	104/US\$ ^(*8) 118/EUR	106/US\$ 120/EUR
ROE ^(*3)	10.2%	17.7%	10.1%	13.3%	14.9%
ROA ^(*4)	6.6%	11.5%	6.5%	8.8%	9.8%
Earnings per Share	89.9 yen	145.1 yen	168.9 yen	218.7 yen	242.6 yen
Capital Expenditures (Depreciation Expenses)	4.8 (6.1)	6.3 (5.4)	11.2 (12.7)	19.6 (11.3)	20.7 (11.7)
R&D Expenses	12.2	11.9	24.8	25.3	25.6
Cash Flows					
Operating Activities	8.2	5.3	42.4	43.0	43.0
Investing Activities	-5.9	-6.3	0.6	-20.0	-21.0
Free Cash Flow	2.3	-1.0	43.0	23.0	22.0
Inventories at End of Period	99.3	94.5	91.9	84.8	86.3
Number of Employees					
Japan	6,480	6,149	6,149	6,100	6,200
Overseas	13,822	14,384	14,199	14,600	14,600
Total ^(*5)	20,302	20,533	20,348	20,700	20,800
(Changes from the changes in the scope of consolidation)	(23)	(-124)	(-102)	(-)	(-)
Temporary Staff (average during the period)	8,227	8,087	7,990	7,700	7,800
Sales by Business Segment					
Musical Instruments ^(*6)	142.4 (65.5%)	128.5 (64.5%)	277.4 (63.7%)	254.0 (63.2%)	258.0 (62.8%)
Audio Equipment ^(*6)	55.3 (25.4%)	53.0 (26.6%)	120.9 (27.8%)	113.0 (28.1%)	116.0 (28.2%)
Others ^(*7)	19.8 (9.1%)	17.7 (8.9%)	37.2 (8.5%)	35.0 (8.7%)	37.0 (9.0%)
Operating Income by Business Segment					
Musical Instruments ^(*6)	16.8	18.8	31.7	32.5	32.5
Audio Equipment ^(*6)	3.5	4.8	8.5	9.0	9.0
Others ^(*7)	1.0	1.0	0.4	0.5	0.5

Non-Consolidated Basis

Net Sales	123.0	118.7	232.8
Operating Income	8.8 (7.2%)	10.7 (9.0%)	15.2 (6.5%)
Ordinary Income	20.4 (16.6%)	18.5 (15.6%)	27.1 (11.7%)
Net Income	18.9 (15.4%)	23.4 (9.7%)	20.2 (8.7%)

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

* 2, 8 Currency exchange rate is the export and import transaction rate applied to profit calculation. 2H Currency Exchange Rates US\$=100JPY EUR=110JPY

* 3, 4 The ROE and ROA for the interim period are calculated on an annually adjusted basis.

* 5 Number of Employees = Number of full-time staff at end of the period

* 6 Effective in FY2017.3, soundproof room business which was previously reported as a part of the musical instrument segment has now been reported as a part of the audio equipment segment. The figures for FY2016.3 reflect the new segment accordingly.

* 7 Effective in FY2017.3, others segment includes electronic devices segment which was closed at the end of FY2016.3. The figures for FY2016.3 has been adjusted to conform to current year disclosure for reference only.

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.