

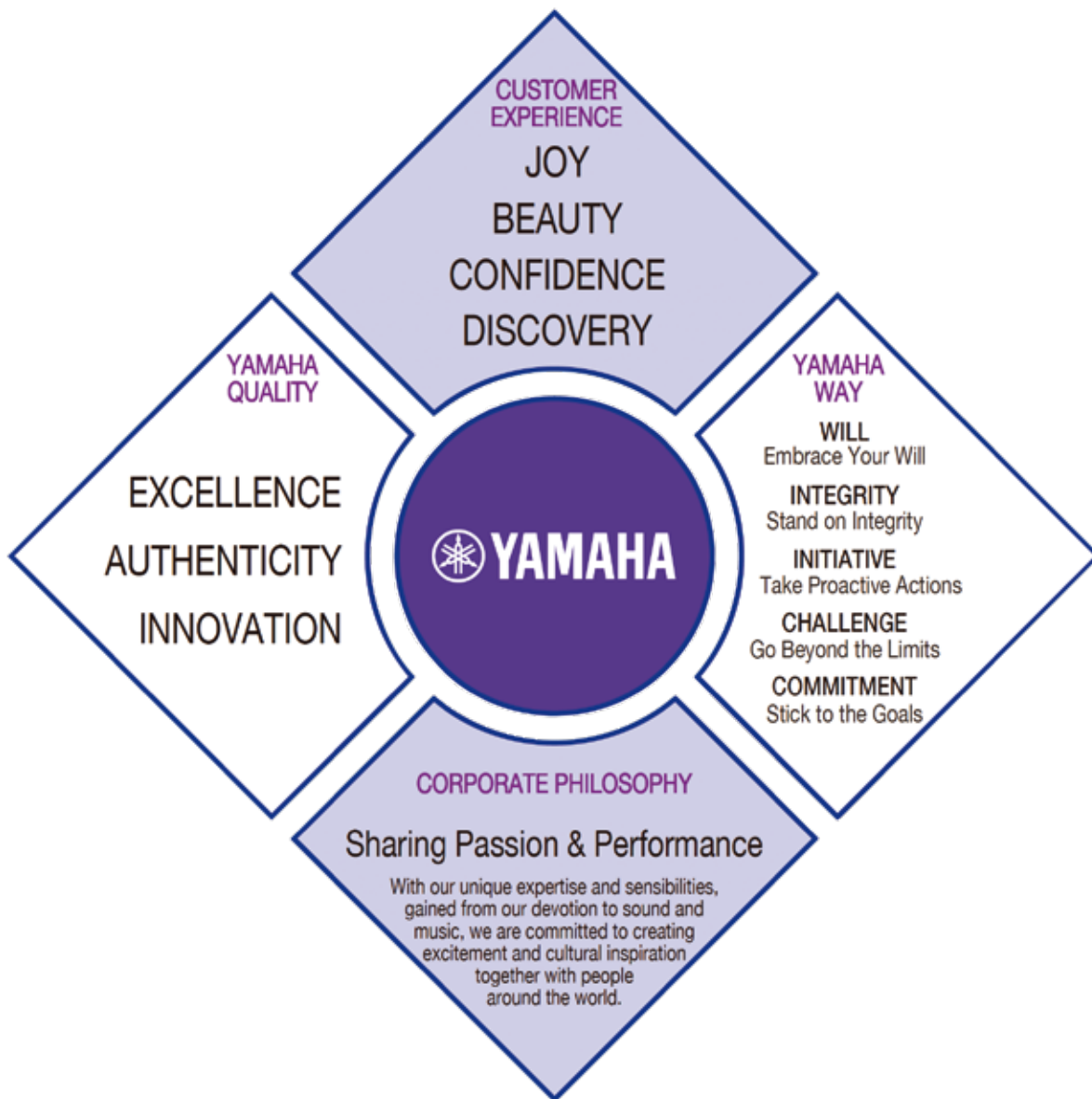
YAMAHA PHILOSOPHY

The Yamaha Philosophy expresses the core framework of the Yamaha Group's management and consists of four elements: the Corporate Philosophy, Customer Experience, Yamaha Quality (criteria for quality), and Yamaha Way (mindset and manners).

We utilize the Yamaha Philosophy as a foundation to draw from, try to think from the customer's viewpoint, and consistently provide high-quality products and services that exceed the expectations of our customers, and to create excitement and cultural inspiration together with people around the world.



Value Creation by Yamaha





PROMISES TO STAKEHOLDERS

The entire Yamaha Group shares promises to our stakeholders—customers, the people who work with Yamaha, business partners, regional communities and society, our planet earth, and shareholders—working to improve the satisfaction of each stakeholder and making effective use of our management resources to achieve sustainable growth in order to maximize its corporate value.

Customer-Oriented and Quality-Conscious Management (For Customers)

For the well-being of its customers, Yamaha offers quality and valuable products and services that incorporate innovative and traditional technologies as well as sensibilities and refined creativity.

Management that Values People (For People Who Work with Yamaha)

Yamaha places the highest priority on the health and safety of all people who work with Yamaha and aims to create a corporate culture where each person's individuality and creativity are respected, and that encourages everyone to take on challenges to achieve self-fulfillment through their work.

Management Based on Mutual Understanding and Trust (For Business Partners)

Yamaha values mutual understanding and trust and builds sound business relationships with all of our business partners, including distributors and suppliers.

Management that Contributes to Social and Cultural Development (For the Regional Communities and Society)

Yamaha complies with the laws with the highest ethical standards, and as a good corporate citizen, contributes to the development of society and culture through its accumulated technologies and expertise to address various social issues as well as efforts that only Yamaha could do.

Management that Considers the Global Environment (For Earth)

Yamaha actively works to reduce CO₂ emissions and conserve and make effective use of resources such as timber, and takes a role as a company to hand down the precious global environment to the future.

Transparent and Sound Management (For Shareholders)

Yamaha ensures sound business performance, continues to deliver proper returns to shareholders, and pursues sustainable development through transparent and high-quality management.

BRAND PROMISE

A feeling of enthusiastic excitement lives in sound and music, through playing or simply listening. We at Yamaha want to inspire peoples' passion and help them make a step forward to express their individuality, emotion and creativity.



Make Waves

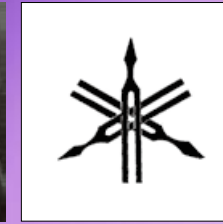
Just a few notes or a simple melody can send out ripples that trigger an emotional bond with another person. Sound and music have a transformational impact on individuals and the world around us. The "Make Waves" concept focuses on our passions and what matters most to people, namely, expressing themselves and making an impact, to progress personally as a listener and player, and to come together with others. Yamaha is committed to empowering people to "Make Waves" with their sound and music.

Yamaha has forged a position as a corporate group that continuously uses technologies and sensibilities based on sound and music to create excitement and cultural inspiration.

The history of the Yamaha Group dates back to its founding in 1887. Since then, we have continued with our aim of creating excitement and cultural inspiration together with people around the world while centering our business on sound and music. The principles and policies that have guided us on our journey have been codified into the Yamaha Philosophy, which has been a treasured part of our corporate culture throughout our 135-year history.



Founder Torakusu Yamaha



The three tuning forks of the Yamaha brand logo represent the cooperative relationship that links the three pillars of our business—technology, production, and sales. They also evoke the robust vitality that has forged our reputation for sound and music the world over, a territory signified by the enclosing circle. In addition, the mark symbolizes the union of three essential musical elements: melody, harmony, and rhythm. The spirit of our founder expressed in this logo lives on today, spurring us forward to continue enhancing the Yamaha brand.

Birth of the Yamaha Brand



The birth of the Yamaha Group can be traced to the repair of a single broken organ by founder Torakusu Yamaha. This experience led Yamaha to success in creating domestically produced organs in Japan, and this success would in turn prompt him to establish Nippon Gakki Co., Ltd. (currently Yamaha Corporation), in 1897 and commence the domestic manufacture of pianos. Yamaha would then go on to build the foundations for the Company's core musical instruments business of today and to create excitement and cultural inspiration together with people around the world.

Our founder is the namesake for the Yamaha brand.



Creation of New Value by Merging Acoustics and Digital Technologies

The acoustic technologies we have fostered since our founding have been merged with digital technologies to create a number of innovative products. Made possible by the proprietary large-scale integration chips created through in-house production of semiconductors, these products include our DX7 digital synthesizer, Clavinova™ digital pianos, and the SILENT™ Series. Meanwhile, our musical instrument production technologies were applied to commercialize factory automation (FA) equipment and automobile interior wood components, greatly expanding the business and regional scope of our operations. The Company adopted its current name of Yamaha Corporation in conjunction with its centennial anniversary in 1987.

Quest to Support the “Well-Being of People around the World”

Yamaha is supplying new solutions that respond to recent changes in the social climate through sound and music. Examples of these solutions include the SYNCROOM online remote ensemble performance service, the Remote Cheerer powered by SoundUD remote cheering system, and the Distance Viewing next-generation live viewing service. By delivering these solutions, we aim to contribute to the resolution of social issues and improve corporate value.

Guided by Make Waves 2.0, its new medium-term management plan launched in April 2022, Yamaha has embarked on a quest to support the “Well-Being of People around the World.” In this quest, we aim to enhance corporate value by creating social value and thereby achieve our management vision of “Becoming an Indispensable, Brilliantly Individual Company.”



Advancement onto the Global Stage as a Comprehensive Musical Instruments Manufacturer Combining Technologies and Sensibilities



Yamaha began offering organ classes (predecessor of the Yamaha Music School) in 1954. Meanwhile, the technology and sensibilities cultivated through the manufacture of musical instruments was adapted to diversify our business through involvement in audio products, sports equipment, lifestyle items, and other areas. These strengths also shaped our efforts to promote the spread of music. In 1958, Yamaha established its first overseas subsidiary in Mexico, after which the Company proceeded to expand its sales and production networks across the globe to grow as a comprehensive musical instruments manufacturer.

Positioning of Sound and Music as Core Business through Selection and Concentration

Yamaha undertook selection and concentration of its previously diversified businesses to focus more on its core business centered on sound and music.

This move saw us reorganizing and consolidating domestic and overseas production and sales bases and acquiring overseas companies to restructure our core business and strengthen our growth foundations. This was the start of business reorganizations aimed at taking our business to the next growth stage.



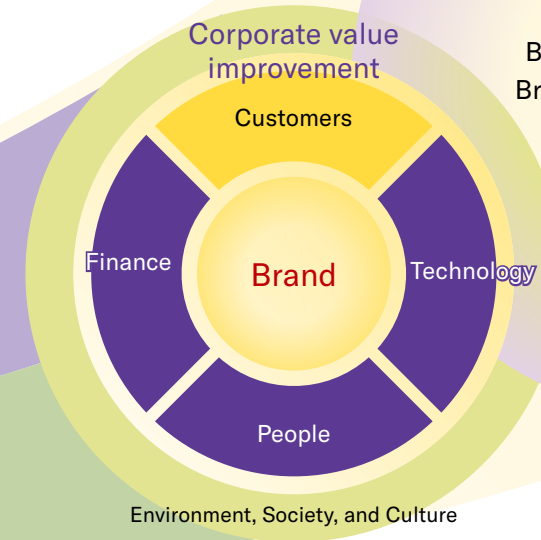
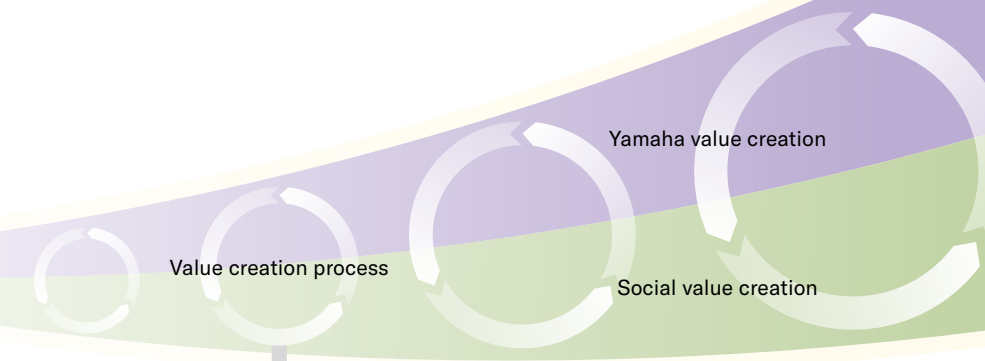
VALUE CREATION STORY

Yamaha enhances corporate value and fulfills its mission by creating social value.

Yamaha is strengthening all of its capitals by creating Yamaha value and social value through its business activities. In this way, Yamaha aims to realize its management vision and fulfill its mission by pursuing a cycle that improves both brand and corporate value. Yamaha's current value creation process is as described in the table below.

The global COVID-19 pandemic is having a massive impact on our lives and on the global economy. Yamaha, however, sees this adversity as an opportunity to further its evolution. Accordingly, we are endeavoring to respond to the constantly changing social needs and issues with the aim of continuing to help resolve social issues through our businesses, and thereby improving corporate value.

Please refer to the following website for more information on Yamaha's value creation story.
<https://www.yamaha.com/en/ir/story/>



Management Vision
 Becoming an Indispensable, Brilliantly Individual Company
 Boost brand power to become a highly profitable enterprise

Mission
 Purpose
 Well-Being of People around the World
 Corporate Philosophy
 Sharing Passion & Performance

Value Creation Process

Yamaha Philosophy and Brand Promise

Musical Instruments Business P.62 Audio Equipment Business P.66 Industrial Machinery and Components Business / Others P.68	Research and Development P.70 Acoustic technologies Sensibilities pervading Yamaha technologies Understanding of high-quality sound Digital technologies Innovation Center	Production P.74 Craftsmanship Integration Technologies Mass production technologies and cost strategies Overseas base strategies	Sales and Marketing P.76 Global network Customer interface (Broader, deeper, and longer) Sales networks and store strategies Bases for R&D activities, artist relationships, and service center Customer data platform / Digital marketing Activities to popularize music
	Corporate Governance P.88 / Global Business Management Foundation		

Products and Services

P.10

Products and Services Centered on Sound and Music

- Musical instruments
- Audio equipment
- Music schools
- Other products and services

Output

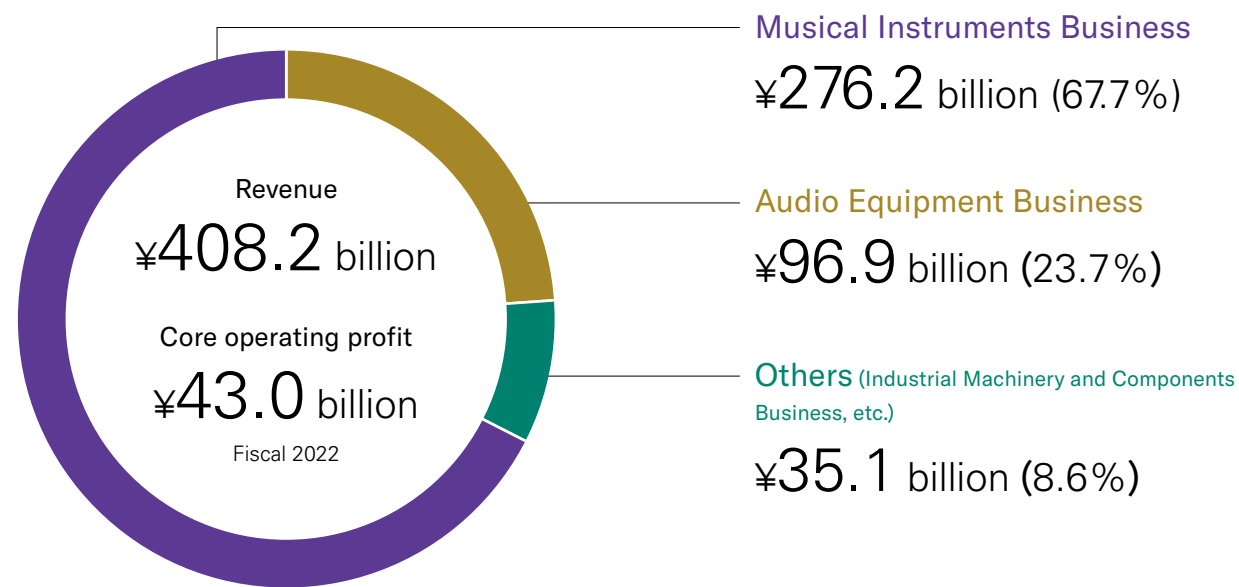
Yamaha Value Creation	Social Value Creation
Achieving the management targets adopted under the Make Waves 2.0 medium-term management plan (2022-2025)	
Non-financial targets Nine targets related to policies of the medium-term management plan (see page 36)	
Financial targets	
Revenue growth: 20% Core operating profit ratio: 14%	Return on equity (ROE): 10% or more Return on invested capital (ROIC): 10% or more
Investment and shareholder returns	
Investment Regular investments ¥40 billion Strategic investments ¥65 billion	Shareholder returns Total return ratio: 50% (three-year aggregate)
Prevention of damage to corporate and social value through reinforcement of sustainability initiatives, risk management, compliance, and other aspects of corporate governance (see pages 42-44 and 88-101)	

Outcome

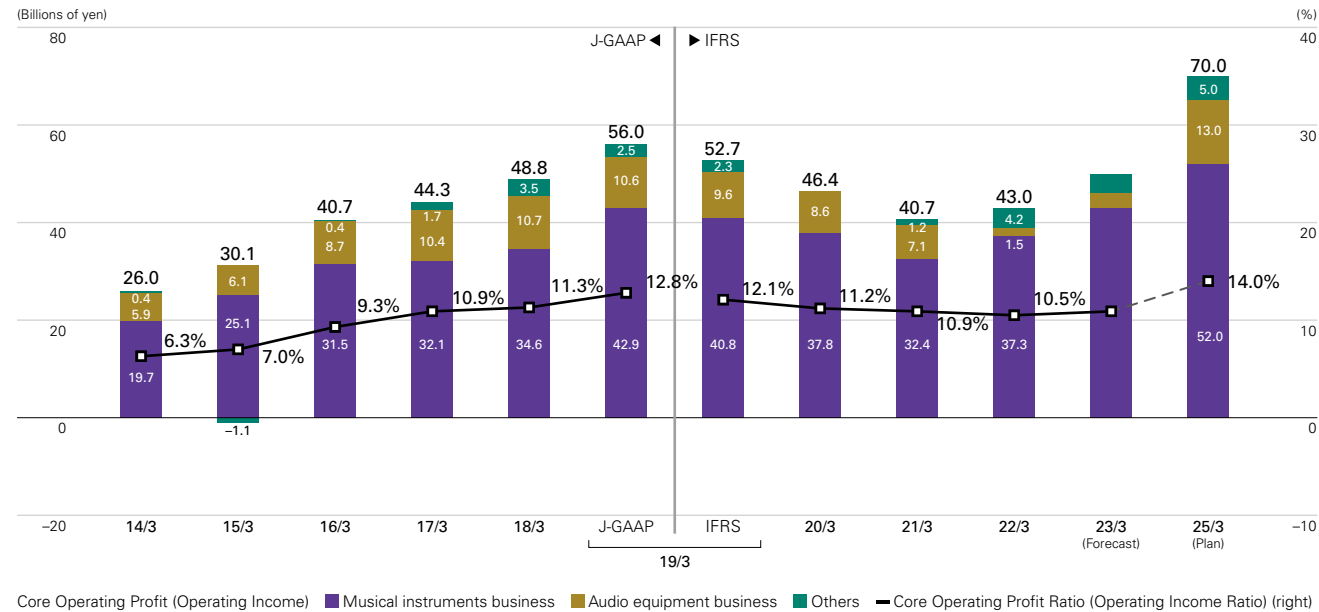
Yamaha will support the “Well-Being of People around the World” through its business centered on sound and music.

Yamaha is the world's largest comprehensive musical instruments manufacturer, producing and selling a complete lineup of products ranging from acoustic to digital musical instruments. We are developing wide-ranging, global operations spanning from businesses related to sound and music, encompassing musical instruments, professional audio (PA) equipment, audio equipment, and network equipment, and beside industrial machinery and components businesses focused on semiconductors.

Groupwide Consolidated Revenue and Core Operating Profit



Breakdown of Core Operating Profit (Operating Income) and Core Operating Profit Ratio (Operating Income Ratio)

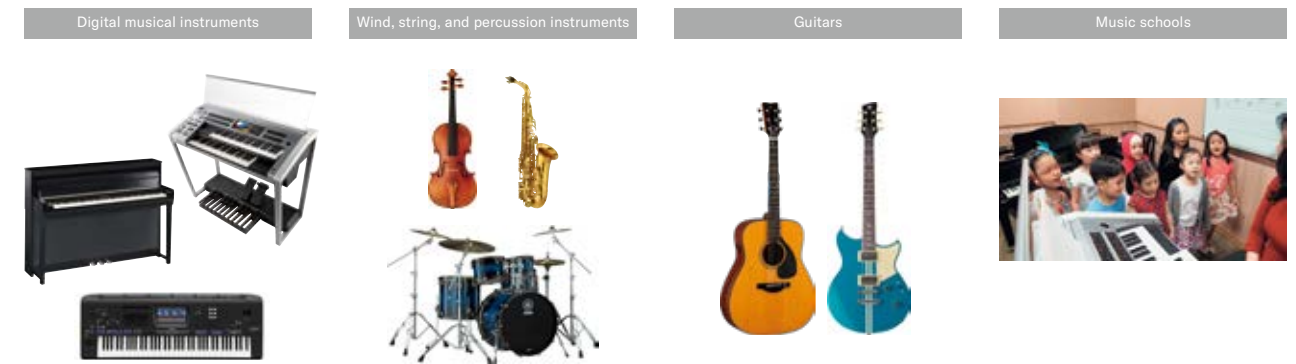


Yamaha's Three Core Businesses and Their Major Products

Musical Instruments Business

The musical instruments business includes a diverse spectrum of operations ranging from the manufacture and sale of mainstay musical instruments to the operation of music schools and the production and distribution of music and video content.

For information on the strategies of the musical instruments business, please refer to page 62.



Audio Equipment Business

In the audio equipment business, we sell an extensive lineup of products, including both consumer and commercial equipment.

For information on the strategies of the audio equipment business, please refer to page 66.



Others (Industrial Machinery and Components Business, etc.)

Other businesses include the provision of products and services such as semiconductors and other electronic components, FA equipment, and automobile interior wood components.

For information on the strategies of the industrial machinery and components business, please refer to page 68.

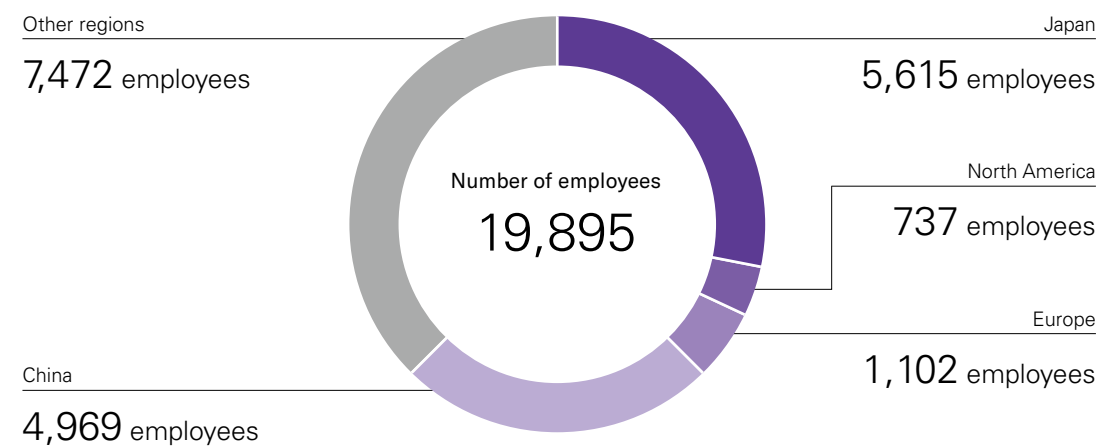
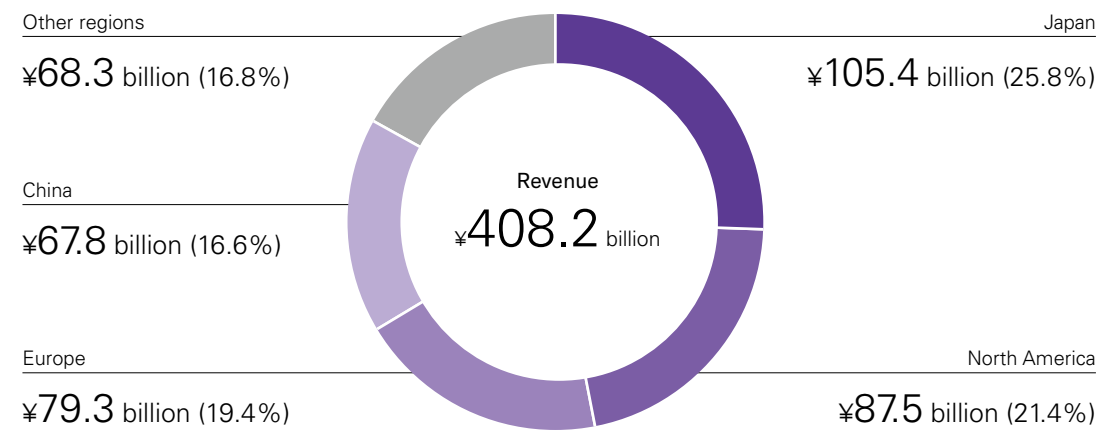


Yamaha's network is expanding across the globe.

Yamaha has been aggressively expanding its global operations for some 60 years, and Yamaha products and services are now the choice of customers around the world.

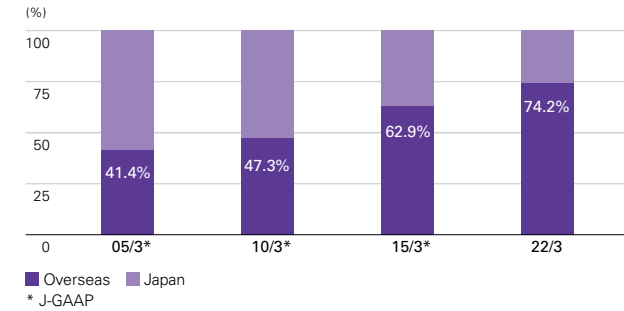
Today, our network encompasses more than 30 countries and regions, allowing us to grow by selling products and promoting music based on the needs of customers all over the globe. We have also set up production bases in growth markets, such as India and Indonesia, as part of our proactive exploration of new markets.

Revenue Composition and Number of Employees by Region

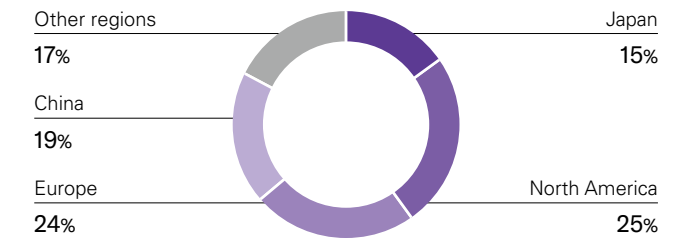


Overseas Revenue Driving Growth

Ratio of Overseas Revenue (%)

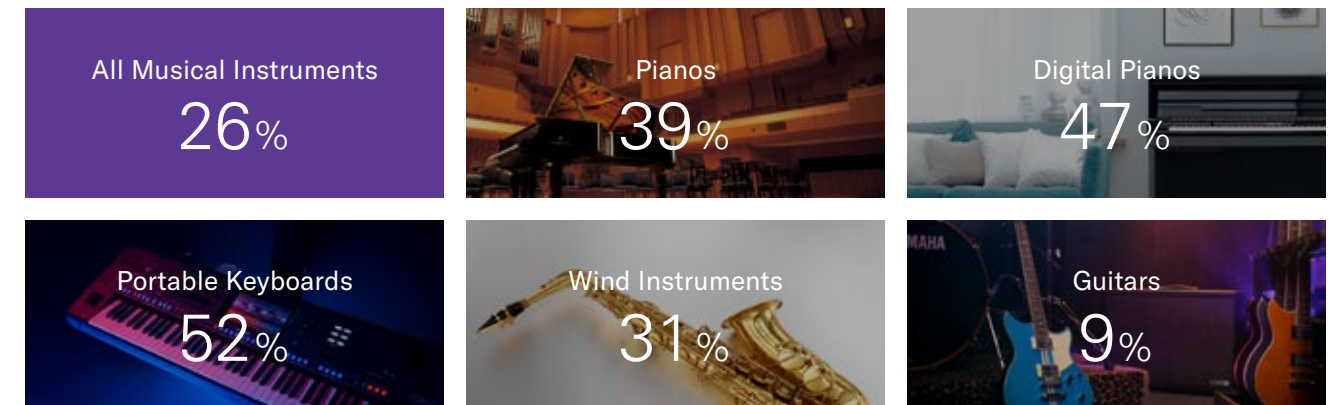


Distribution of Musical Instruments and Audio Equipment Sales by Region

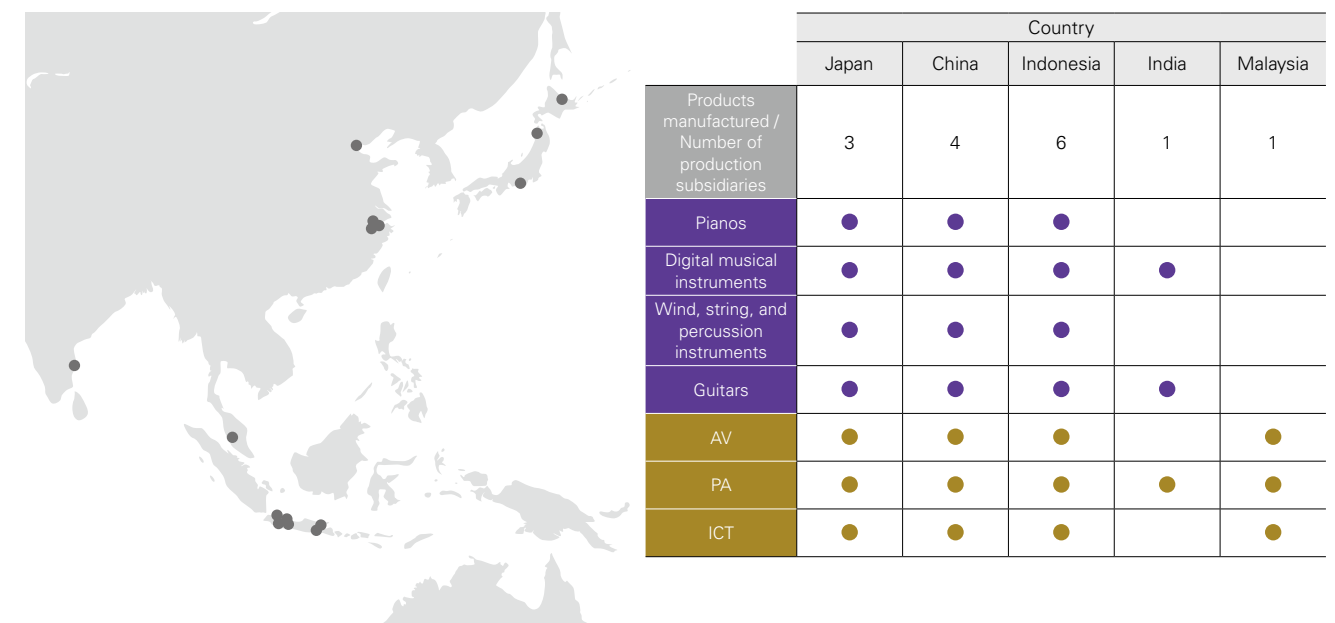


Note: Excludes revenue from music schools and other services

Global Market Shares of Major Products (Fiscal 2021, monetary value basis, based on surveys by Yamaha)

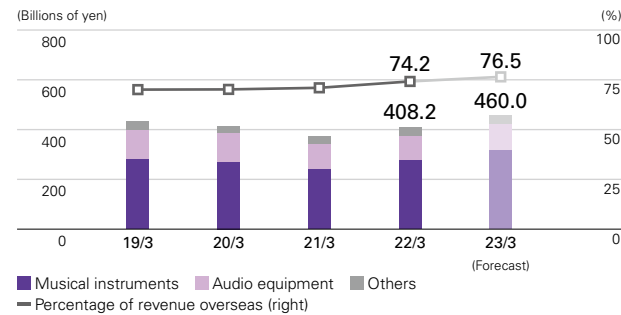


Location of Yamaha Production Bases and Major Products Manufactured



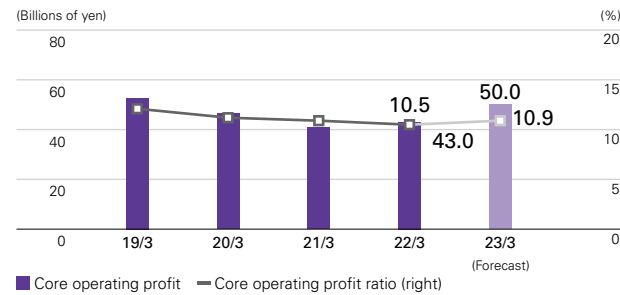
Financial Highlights (Fiscal 2022)

Revenue / Percentage of Revenue Overseas



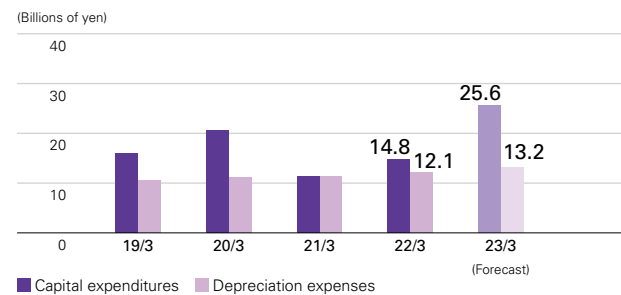
Revenue increased ¥35.6 billion year on year, to ¥408.2 billion, as recovery was seen from the impacts of the COVID-19 pandemic, despite the lingering shortages of product supplies stemming from difficulties procuring semiconductors and logistics disruptions.

Core Operating Profit / Core Operating Profit Ratio



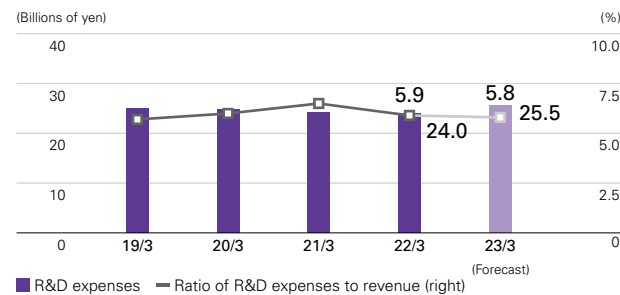
Core operating profit increased ¥2.3 billion, to ¥43.0 billion, as the benefits of increased sales and production and more favorable foreign exchange influences outweighed the impacts of detractors including higher selling, general and administrative expenses and rises in ocean freight charges.

Capital Expenditures / Depreciation Expenses



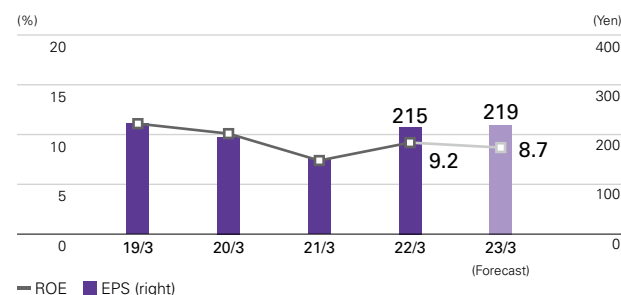
Capital expenditures totaled ¥14.8 billion, up ¥3.6 billion, and surpassed depreciation expenses, which amounted to ¥12.1 billion, primarily as a result of equipment upgrades and renovations.

R&D Expenses / Ratio of R&D Expenses to Revenue



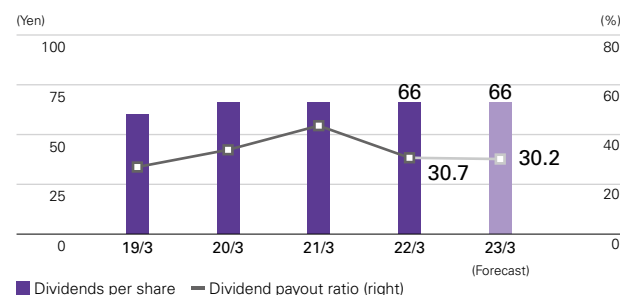
R&D expenses were down ¥0.2 billion, to ¥24.0 billion. Specific targets of development included the new CFX flagship full-concert grand piano and Charlie™, the world's first communication robot that communicates melodically. In addition, we bolstered our portfolio of technologies pertaining to a wide range of areas, including guitars and speakers.

ROE / EPS



Return on equity (ROE) was up 1.8 percentage points, to 9.2%, and earnings per share (EPS) increased ¥63, to ¥215.

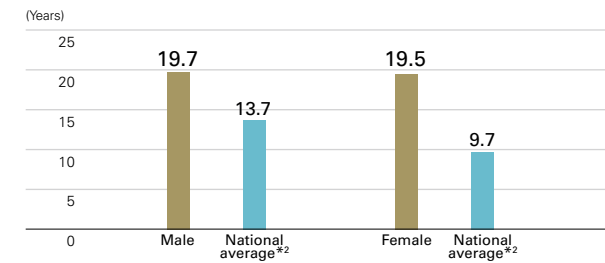
Dividends per Share / Dividend Payout Ratio



The annual dividend was ¥66 per share, the same as in the previous fiscal year. The dividend payout ratio decreased 12.9 percentage points, to 30.7%.

Non-Financial Highlights (Fiscal 2022)

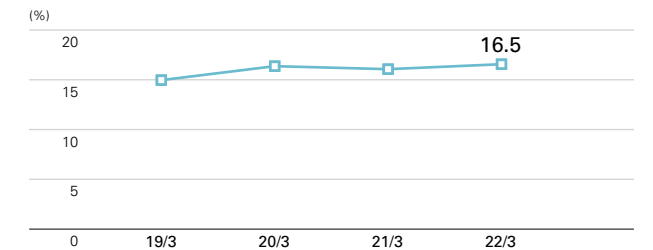
Average Term of Service*



As part of our efforts to promote diversity management, we are working to establish a workplace environment where employees can realize a work-life balance and where female employees can play a more active role. Not only is there no discrepancy between the average term of service of our male and female employees at Yamaha Corporation, but our average term of service has exceeded the national average for around a decade.

*1 Figures are for Yamaha Corporation on a non-consolidated basis.
*2 According to the results of the Basic Survey on Wage Structure published by the Ministry of Health, Labour and Welfare of Japan.

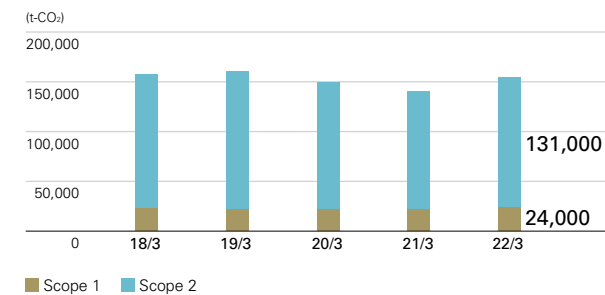
Ratio of Female Managers*



Yamaha has set a target for the ratio of female managers. Efforts to accomplish this target include proactive recruitment and promotion of female employees, the provision of opportunities for female employees to develop their skills, the cultivation of a comfortable workplace, and training and other awareness-raising activities.

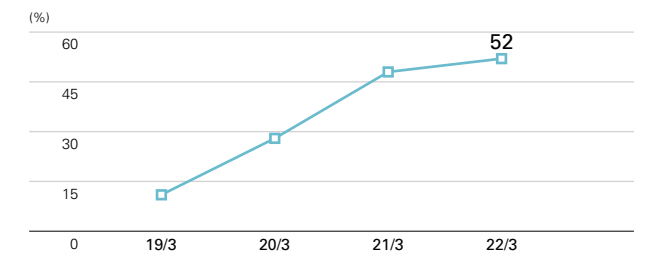
* Group companies (Worldwide total)

Greenhouse Gas Emissions (Scope 1 + Scope 2)



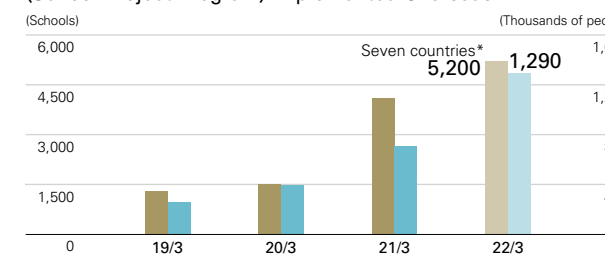
Yamaha is targeting a reduction of 55% in Scope 1 and Scope 2 emissions of greenhouse gases from fiscal 2018 to be achieved by fiscal 2031 and aims to achieve effective carbon neutrality by fiscal 2051. As one facet of our efforts to accomplish these goals, we transitioned to renewable energy for 100% of the electricity purchased at our Company headquarters in April 2021.

Certified Timber Use



Yamaha is developing due diligence frameworks for use in verifying the legality of tree harvesting methods to ensure that it does not purchase illegally harvested timber. At the same time, the Company is promoting increased use of certified timber produced in forests that are sustainable from both social and economic standpoints and that have benefits including contributions to local community development. We successfully accomplished the target of 50% for the rate of certified timber use put forth by Make Waves 1.0, the previous medium-term management plan.

Number of Music Education Initiatives (School Project Program) Implemented Overseas



Since 2015, we have been advancing the School Project to promote the incorporation of instrumental music performance into public school curricula through coordination with local government agencies and education institutions in emerging and other countries. The target of offering such instrumental music education opportunities to one million children through this project defined in Make Waves 1.0 was met.

Brand Ranking

Interbrand's Best Japan Brands 2022*



Our brand ranking in Japan, which was determined using the combined brand value of Yamaha Corporation and Yamaha Motor Co., Ltd., was 28th in 2022 (compared with 30th in 2021), remaining in the top 100 for the eighth consecutive year and representing a 22% year-on-year increase in brand value. Make Waves 1.0 set the target of a 30% increase in brand value, which we were able to achieve with a 50% increase in brand value over the plan's period.

* A brand ranking system by Interbrand Japan, Inc. that evaluates Japanese brands