

Yamaha Audio Equipment Business

Jun Nishimura

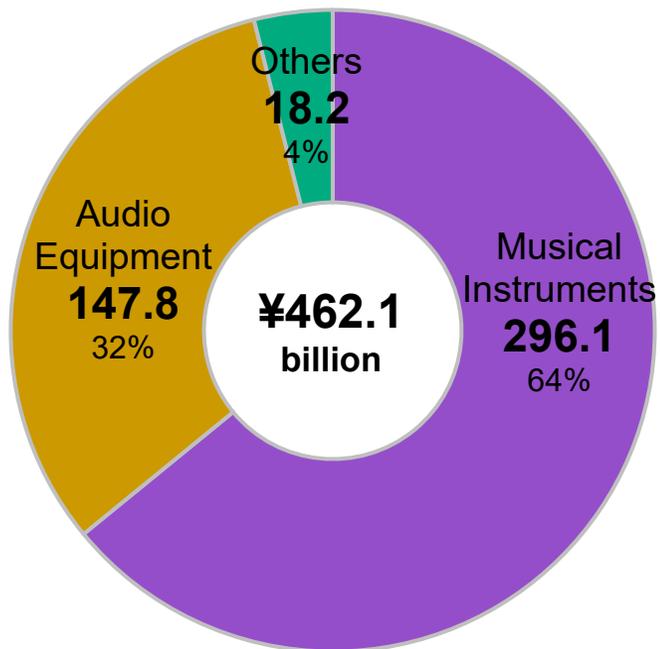
Executive Officer

Executive General Manager of Corporate Management Unit

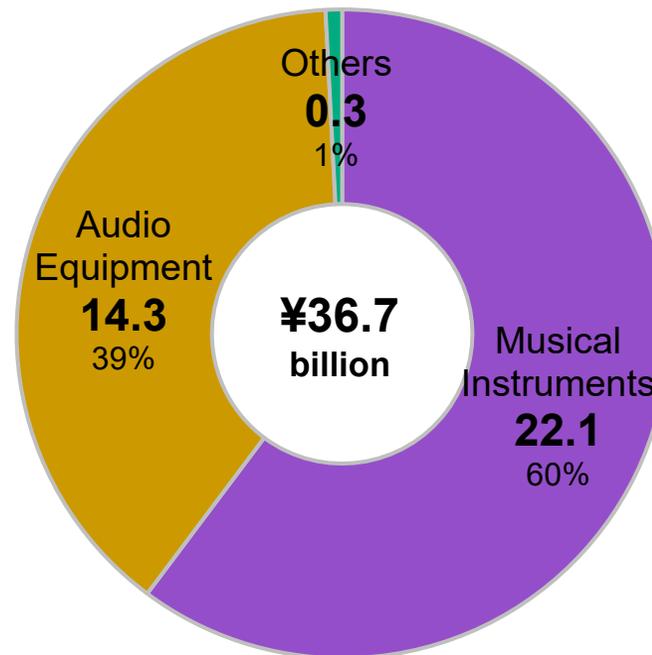
September 30, 2025

FY2025.3 Performance by Business Segment

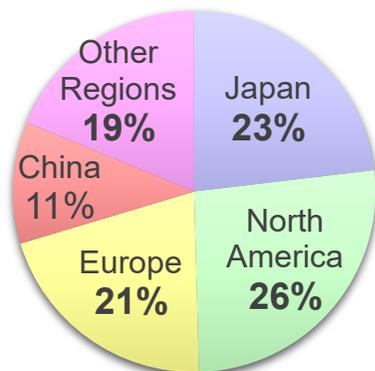
Revenue



Core Operating Profit



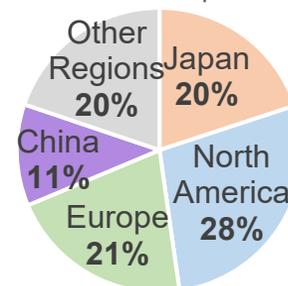
Revenue by region



Revenue by region

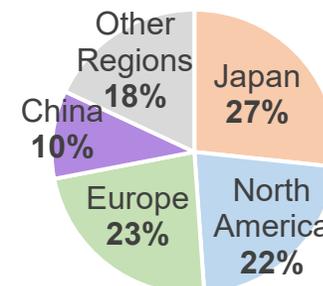
Musical Instruments

Includes software products



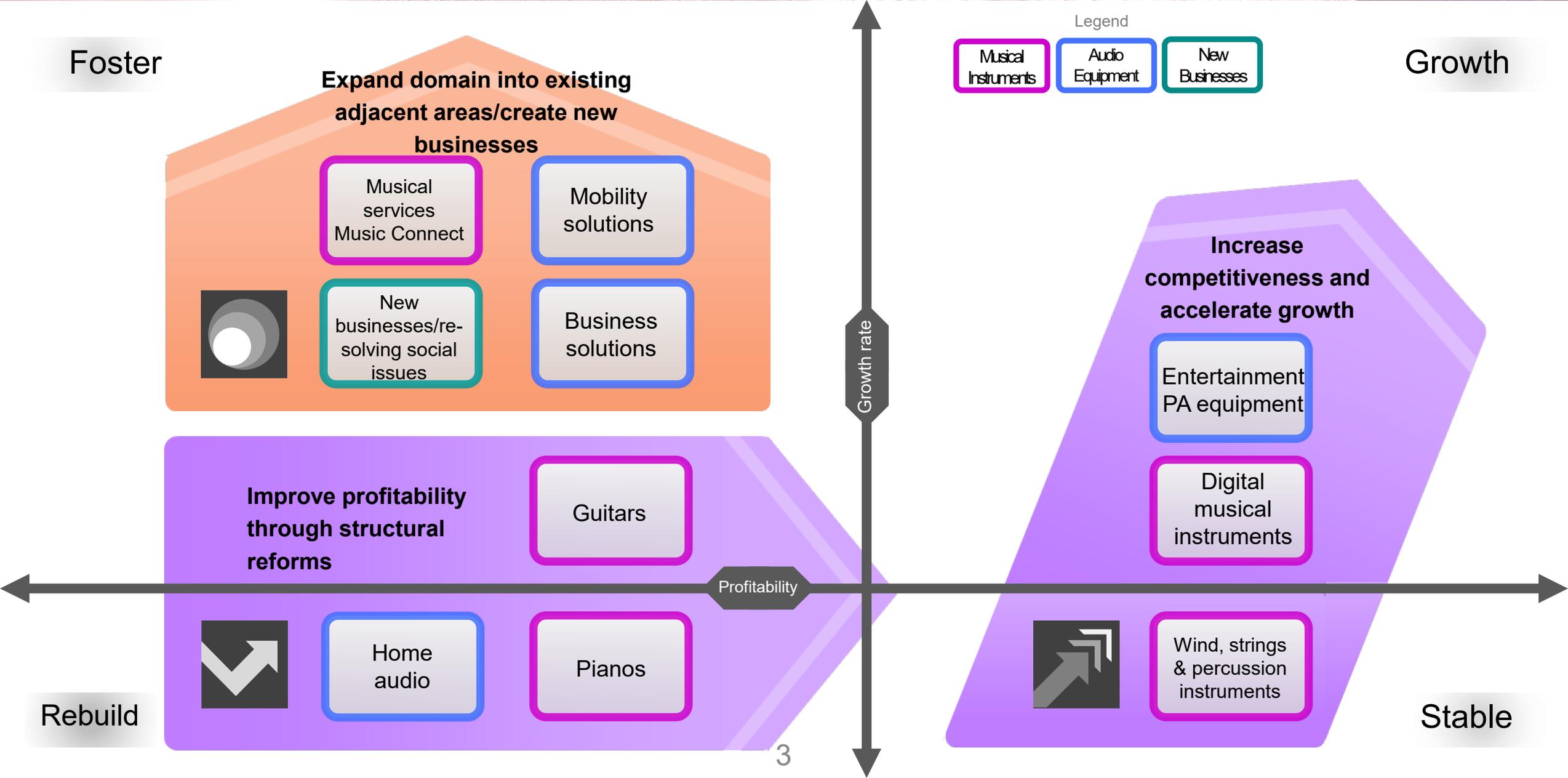
Audio Equipment

Includes software products

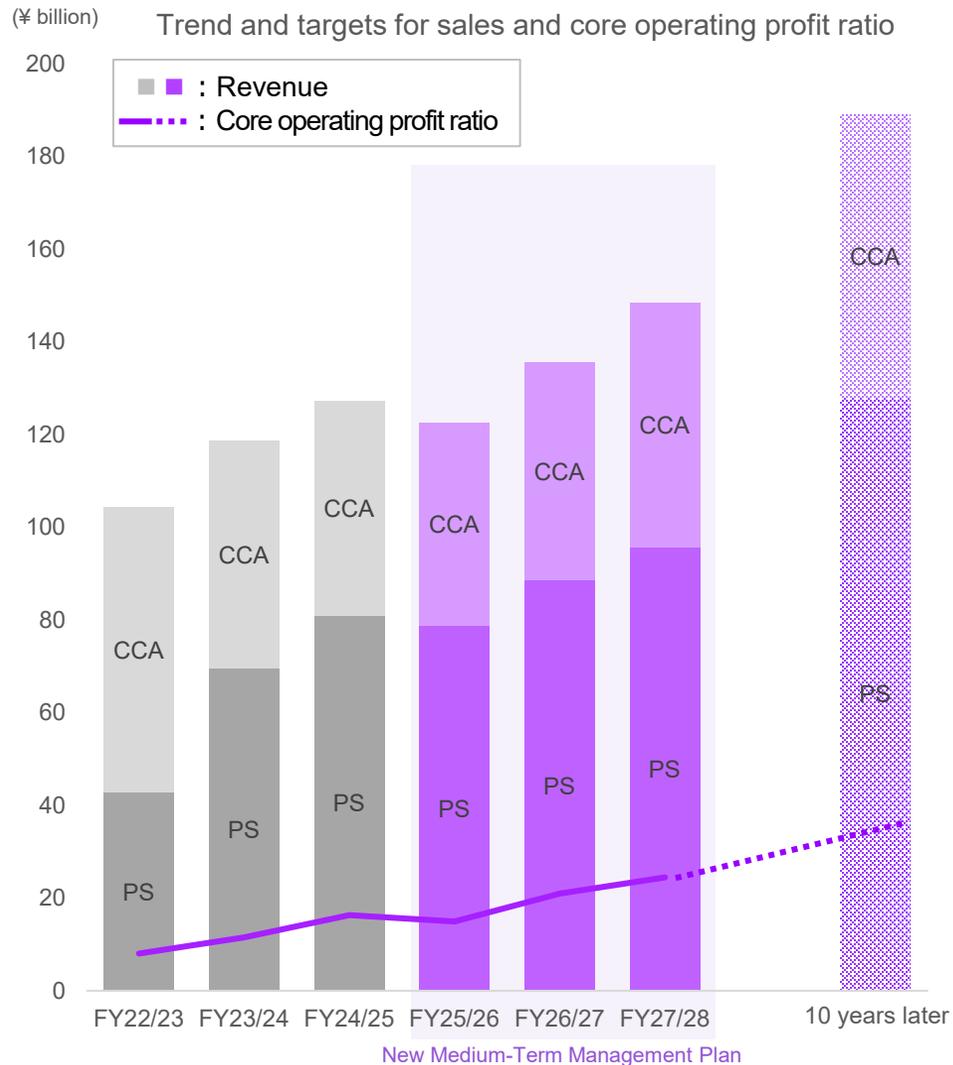


*The figures reflect the changes in classification of Audio Equipment and Others from FY2026.3.

Business Portfolio



Accelerate growth in B2B audio equipment by creating an optimal business structure and quickly improve profitability of the home audio business



Professional solutions business (PS)

Entertainment PA Equipment



Network Devices

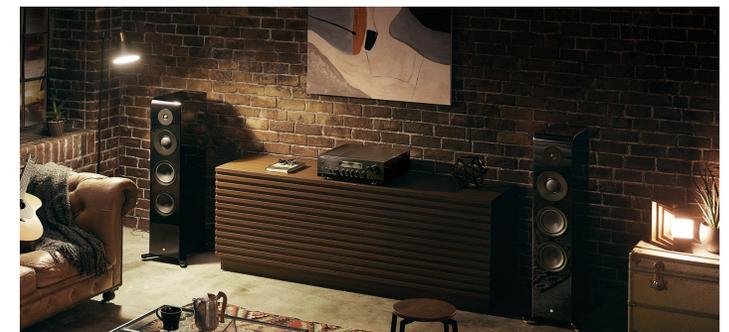


Creator & consumer audio business (CCA)

Content sharing & communication



Home audio products





- Strengths
 - Trusted and widely adopted in professional settings such as live sound, theaters, and studios
 - Established as the industry standard and holding the No.1 market share among mixers



- Strengths
 - High market share especially among corporations and educational institutions in the domestic corporate market
 - Provision of solutions across the entire network

Professional solutions business (PS)

Entertainment PA Equipment

➤ Enhance the functional integration between mixers and speakers; expand system sales of product packages for growth

- Business environment
 - Experience-based markets (concerts, etc.) expanded and grew steadily post-COVID
 - Diversification of device applications and needs, such as real, online, and hybrid
- Actions
 - Reorganization of business structure optimized to the characteristics of the audio equipment business
 - Expansion of sales of speakers developed jointly with trusted and renowned industry leader NEXO
 - Differentiation of mixers and speakers through functional integration and enhanced operability

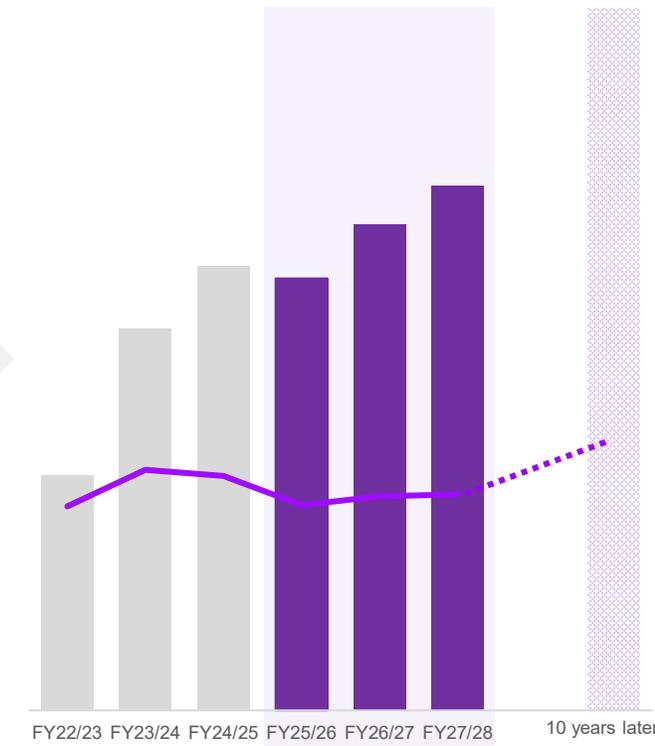
Network Devices

➤ Co-create/provide optimal solutions for focus markets with channel partners

- Business environment
 - Strong market growth amid increased demand for DX and higher network speeds
 - Growing operation and management issues due to customers' lack of network IT personnel
- Strengths and actions
 - Provision of solutions for IT issues in cultural and educational facilities, hospitals, etc.
 - Creation of new customer value through integrated network management services*

3-yr sales
growth CAGR
+7%

Trend and targets for sales and core operating profit ratio



New Medium-Term
Management Plan



- Strengths
 - Reliability of streaming equipment based on mixer technology with the No.1 share
 - User-friendly operation and high sound quality highly praised by users



- Strengths
 - Our commitment to faithfully reproducing authentic sounds, cultivated through our experience as a musical instrument manufacturer
 - Advantages through advanced technologies such as sound field correction and networking

Creator & consumer audio business (CCA)



Content sharing & communication



Grow as a brand supported by creators for production, streaming, live performances, etc.

- Business environment
 - Creator streaming has taken root. Market is expanding for solo/small-team live-streaming
 - Demand is emerging for high quality sound with easy operation and connectivity unlocked by AI & automation
- Actions
 - Establishment of a new market standard for customers with a new lineup of enhanced streaming capabilities
 - Provision of added value such as apps and services that simplify production and streaming

3-yr CS&C sales growth CAGR
+9%

HA cost reduction
-25%

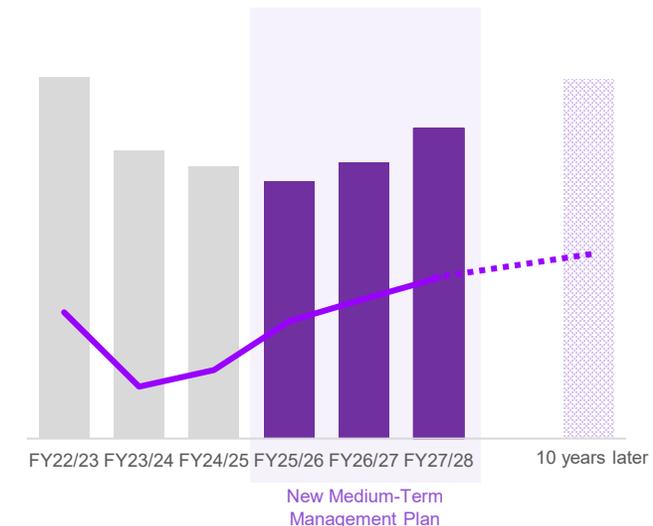
Home audio products



Restructure business by optimizing manufacturing and sales structure focused on hobbyist customers

- Business environment
 - Intensifying price competition amid growing commoditization in Entry-level price ranges
 - Quality and value-added competition continues among audio brands in the mid- to high-end price ranges
- Actions
 - Narrowing to mid- to high-end models that target sales regions and hobbyists
 - Reduction of development and manufacturing fixed costs through greater outsourced manufacturing

Trend and targets for sales and core operating profit ratio



Achieve high business growth in the audio equipment segment, including mobility solutions



Total solution provider for spatial acoustics
Reinforcing of dedicated team/personnel to ensure rapid response to market/customer demands

Create new sounds and experiences
Whether for individuals, live events and public facilities, or mobility; we create sound optimized for sound environments in diverse spaces

Mobility solutions business (MS)^{*1}

Accelerate growth by offering premium experiences in line with customer requirements

- Business environment
 - EVs and automated driving changing how people spend time in cars
 - Demand for higher specs growing in China; new value propositions are required
- Strengths and actions
 - Technical capabilities to meet diverse manufacturer requirements in various countries and propose new experiences and specifications
 - Improvement of customer experience and development speed with Music AI^{*2}

^{*1} Mobility solutions business: Former electronic devices business
^{*2} Music AI: AI software for optimal sound environment settings



Professional solutions business (PS)

Expand domains with industry-leading signal processing and sound field adjustment technologies

- Business environment
 - Emerging needs for environmentally optimized high sound quality in commercial and public facilities
 - Growing demand for comprehensive performances combining light, sound, and video in the experiential market
- Strengths and actions
 - Proposal of customer solutions from local bases with an optimal structure tailored to market characteristics
 - Achievement of scene-optimized sound adjustment and experiential events with functions that facilitate integrated control of entire AV systems



Integrated control for optimal sound and experience



Audio Equipment Business Vision and Strategy

Nobukazu Toba

Executive Officer

Executive General Manager of Audio Products Business Unit

September 30, 2025

History of Yamaha Audio Equipment



Home Audio Products

1954 HiFi player

1973 Integrated amplifier CA-1000

1974 World's first pure beryllium diaphragm speaker NS-1000M

1978 Studio monitor speaker NS-10M

1986 World's first digital sound processor, the origin of cinema DSP DSP-1

Digitalization

2011 AV receiver RX-A3010

Home theater

2016 Speaker with ZYLON diaphragms NS-5000

PA Equipment (Entertainment PA)

1969 Vocal mixer VM-100

1972 PA system PS-75

1987 Digital mixing processor DMP7

Digitalization

1987 Digital mixer PM1D

2001 Digital mixer PM1D

2009- NEXO PA speaker

2015 Digital mixing system PM10

Network protocol evolution

Network Equipment

1987 Fax model LSI

1995 ISDN routers RT100i

2002 VPN router RTX1000

2011 Switch SWX2200

Shift from LSIs to modules

2006 IP audio conference system PJP-100H

2013 Speech privacy system VSP-1

2020 Integrated audio solution ADECIA

Communication Equipment

Audio and network technology

Mobility Use

1980s- Sound generator LSIs and graphics controller LSIs for automobiles

Shift from LSIs to modules

2022- Automotive sound system



Consumer Use

Home Audio Products and
Music Production/Streaming Products



Wholesale channels
through domestic and
overseas sales subsidiaries

- Major e-commerce sites
- Musical instrument stores
- Home electronics stores
- Audio equipment specialty stores



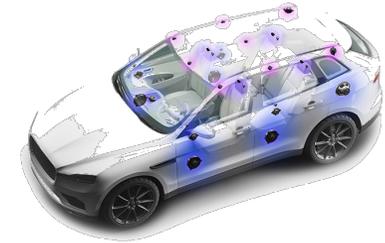
Professional Use

Entertainment PA. Commercial Audio,
Network and Communication Equipment



Proposal-based sales channels
through domestic
and overseas sales subsidiaries

- Professional audio specialty stores
- Installation companies
- Rental companies
- IT vendors



Mobility Use

In-vehicle Audio Solutions and
Emergency Call Modules



Flexible sales channels
based on customer goal

- Direct sales to automobile manufacturers
- Indirect sales through tier-1 companies
- Indirect sales through authorized

The audio equipment business, which has deepened and advanced by applying and refining the techniques and sensibilities accumulated through the creation of musical instruments

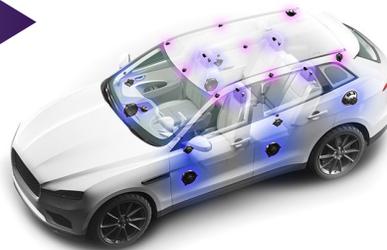
Vision of Yamaha Audio Equipment

Through the passion and resonance created by acoustic spaces, we connect people with each other, bringing them closer together in broader and deeper ways.



Technological Advancement and Applied Development

- Acoustics
- Electronics
- Materials
- Signal Processing



Connect more broadly with customers

Expand our product lineups

We respond to the real-time experience trend by delivering immersive audio experiences across diverse markets. By efficiently leveraging internal and external development resources, we rapidly deploy greater value.



Expand target markets

We will advance collaborations with industry-leading companies in the fields of video, lighting, and networking, aiming to expand our business domain toward providing integrated entertainment experiences centered on sound.



Connect more deeply with customers

Deepening relationships with end users

Through AI-technology-based acoustic space control, we provide customized and personalized acoustic experiences tailored to each space and individual.

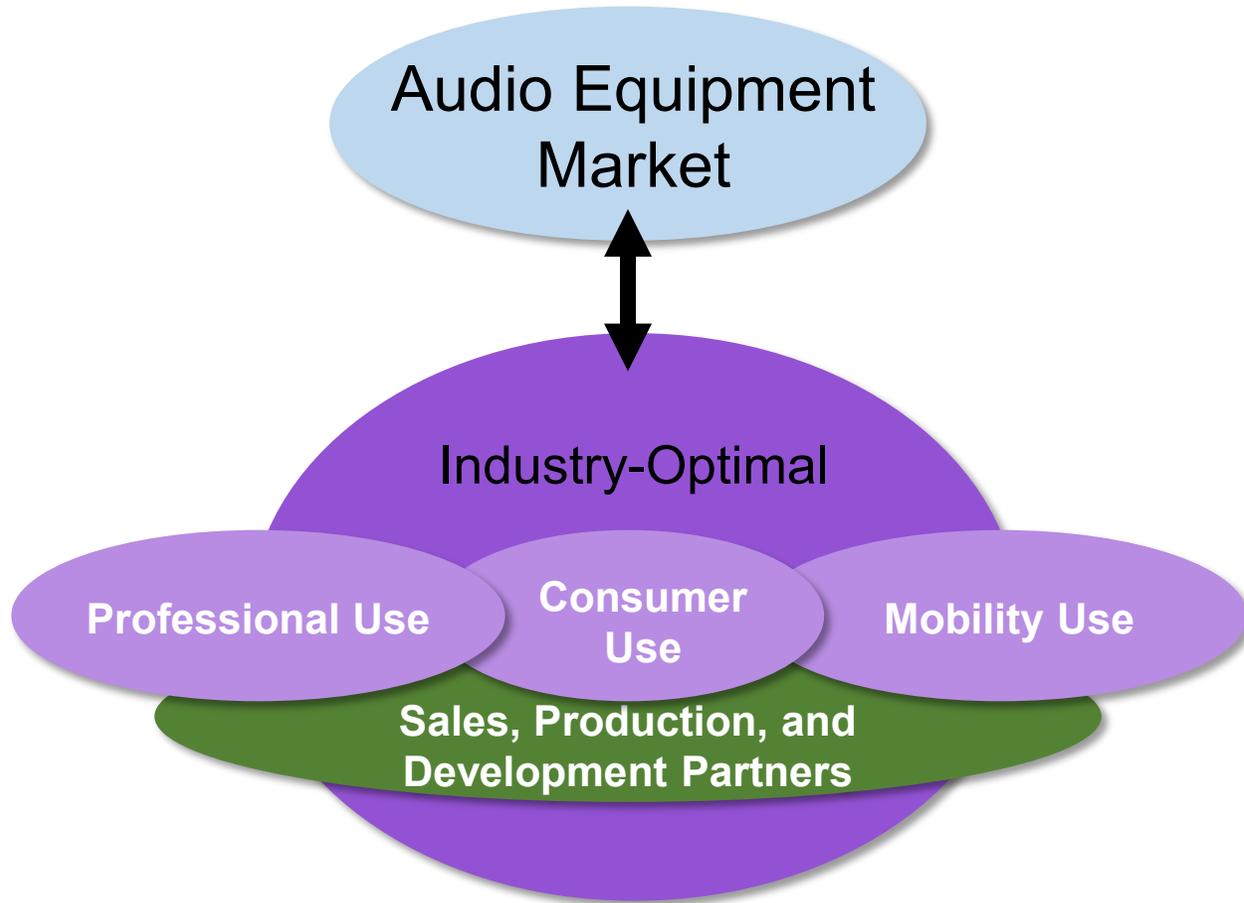


Strengthen customer engagement with corporate clients and business partners

Enhance hands-on -demonstrations before purchase and post-purchase support to build long-lasting and trusting relationships.



We will drive prompt management with an optimized organization tailored to the audio equipment market



1. Sales: Strengthen market responsiveness

In B2B business, sales structures aligned with local business practices and culture are essential. We enhance market responsiveness by assigning regional audio sales managers to strengthen support for sales partners and customer touchpoints.

2. Production: Promote efficient supply systems

To address rising tariffs and geopolitical risks, we promote efficient supply systems through flexible product supply base configurations utilizing external partners.

3. Planning & Development: Establishing a decentralized structure

In emerging markets, diversification of customer needs is advancing due to market maturation and the rise of local companies. By assigning each regional base responsibility for product planning and development tailored to local characteristics, we establish a flexible and timely planning and

Introduction of the Professional Audio Solutions Business

Thomas Hemery

**Senior General Manager of Professional Solutions Division
Audio Products Business Unit**

As a total solution provider of ProAV and IT industry, we serve following businesses

Within the audio equipment business segment, the professional use revenue accounts for approximately 60% of the business, significantly contributing to Yamaha's overall revenue.

Live Events, Entertainment Install Market



Hall / Theatre



Live Venue



Stadium / Arena

Hospitality, Enterprise, Education Market



Hotel



Bar / Restaurant



Corporate



School



Education



Healthcare

Public Infrastructure Market

Entertainment PA Mixers



Digital Mixers



Entertainment PA Speakers



Amplifier



Processor



High-end Speaker



Large Speaker

Installation Speakers



Amplifier / Processor



Ceiling / Surface Mount Speaker



Unified Communication



Conference Microphone Processor



Network



Router



Wireless AP



Switch

Focus on **the speaker area**, high-growth markets with high entertainment value where we can leverage our strengths

With the rise of the experience economy and GDP growth in emerging countries, the demand for audio equipment in Live Events and Hospitality market is expanding

Market size and market trends

- The market for audio equipment in Entertainment segment is growing due to increasing consumer demand for real-time experiences
- In the Live Event and Installed Sound fields, immersive experiences including audio are becoming more popular
- Demand for audio equipment in House of Worship, Weddings, Festivals is increasing, especially in Global South: India, Brazil, Indonesia, MEA

Forecast of Professional Speaker Market (Yamaha Estimation)



Digital art works by teamLab



DJs and a wide variety of sound systems add color to Indian weddings



Competitors strengthens immersive audio solutions for experiential venues

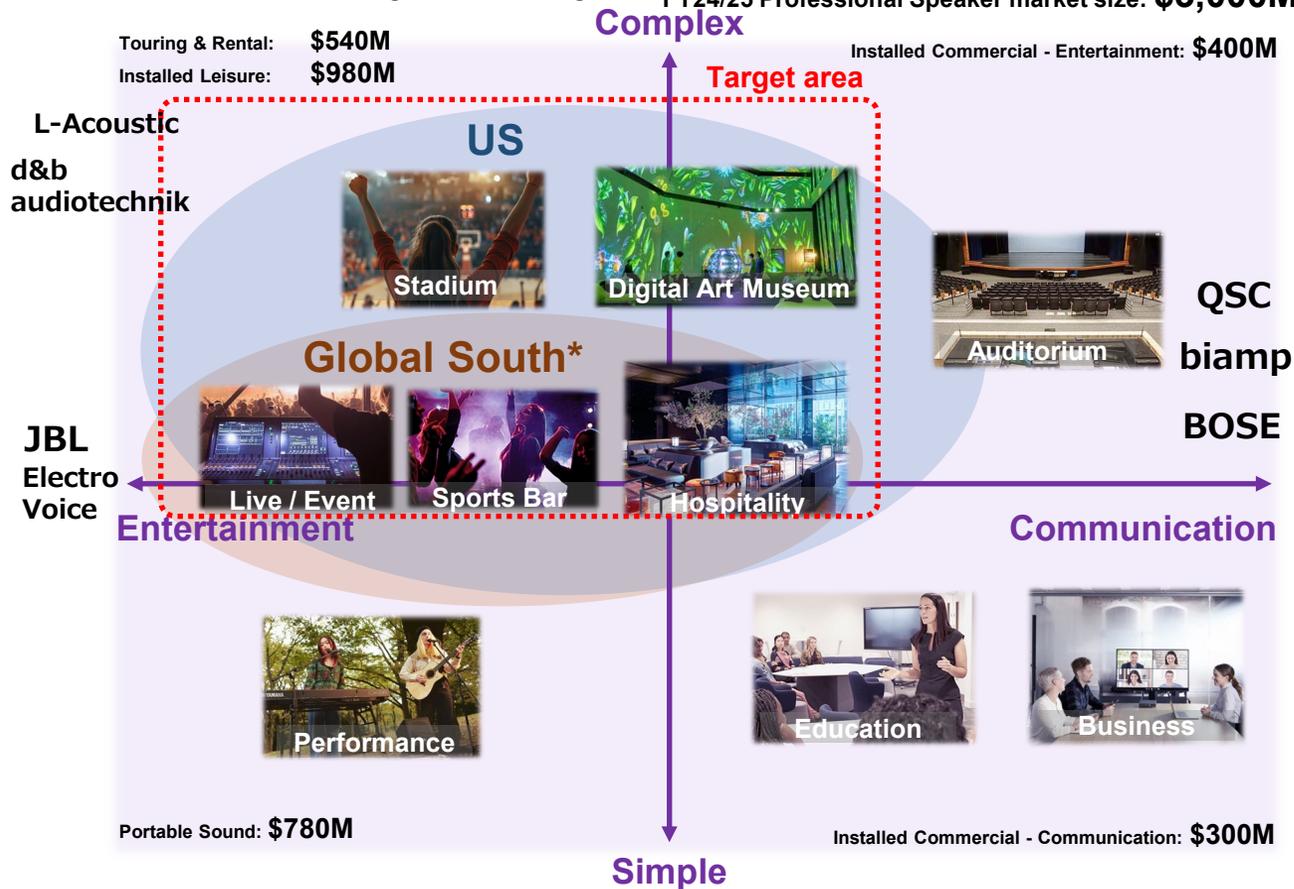
Strategic Framework for Growth

Aiming to differentiate ourselves from competitors
in the entertainment area demanding complex acoustic design

Target area and main competitors

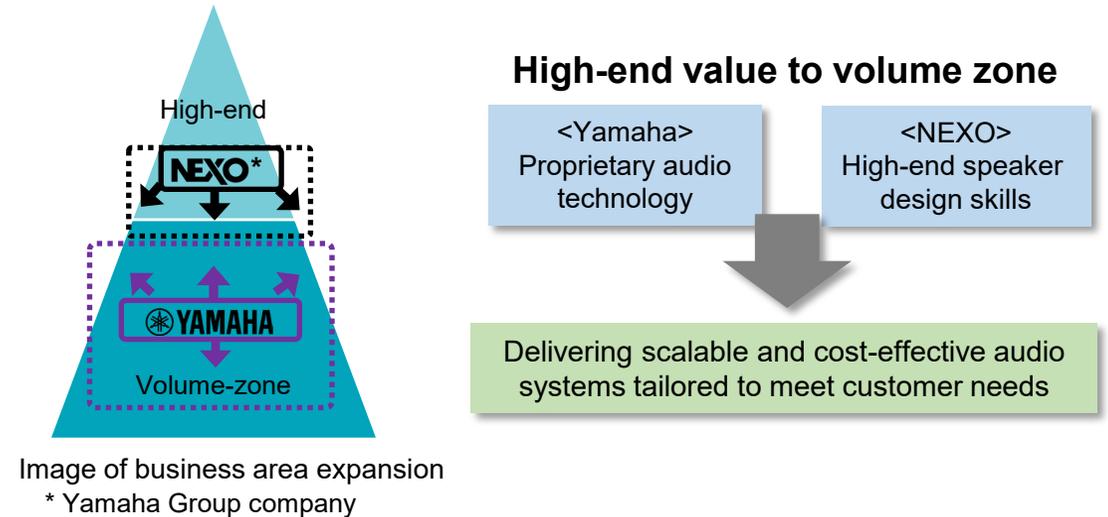
Focus on high-growth markets with high entertainment value,
where we can leverage our strengths

FY24/25 Professional Speaker market size: **\$3,000M**



Basic strategy

aiming to optimize functionality and pricing in the mainstream price range and expand our market reach by combining NEXO's high-end design technology with Yamaha's signal processing expertise,



Specific strategies

- Technology:** Create value with proprietary technology, downscaled to volume zone
- Product:** Enhance product competitiveness by leveraging combined strengths of NEXO and Yamaha

* India, Brazil, Indonesia, MEA

Enhance market competitiveness by optimizing production and sales systems centered on technology and product strategy

(1) Technology Create value with proprietary technology, downscaled to volume zone

Create value with Yamaha's signal processing and NEXO's speaker technology. Expand the technology to the affordable price range and provide high-quality audio experiences to more people

【Signal Processing】

- Utilize AFC (Active Field Control) spatial acoustic design technology, realize **advanced, immersive sound experiences** in theaters, halls, exhibition spaces, and other venues



【Speaker Design Knowledge】

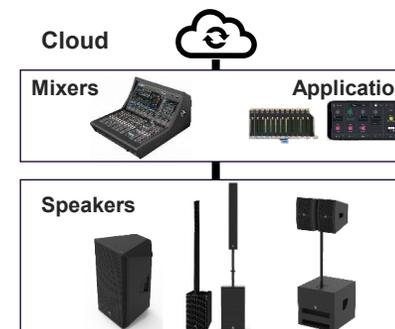
- By leveraging **NEXO's expertise in high-end speaker design**, develop a high-performance speaker lineup—ideal for both touring and permanent installations



(2) Product Enhance product competitiveness by leveraging combined strengths of NEXO and Yamaha

NEXO enhances product, price competitiveness by leveraging Yamaha's signal processing technology and manufacturing capabilities, while Yamaha improves product strength through NEXO's high-end speaker design expertise

- NEXO covers the high-end segment by combining its high-end speaker technology with Yamaha's signal processing technology, leveraging Yamaha's manufacturing capabilities to differentiate itself from competitors in terms of **price competitiveness**
- Yamaha competes against competitors with **NEXO technology and Yamaha's signal processing technology**, expanding lineup efficiently
- Develop integration functions between Yamaha mixers and Yamaha and NEXO speakers

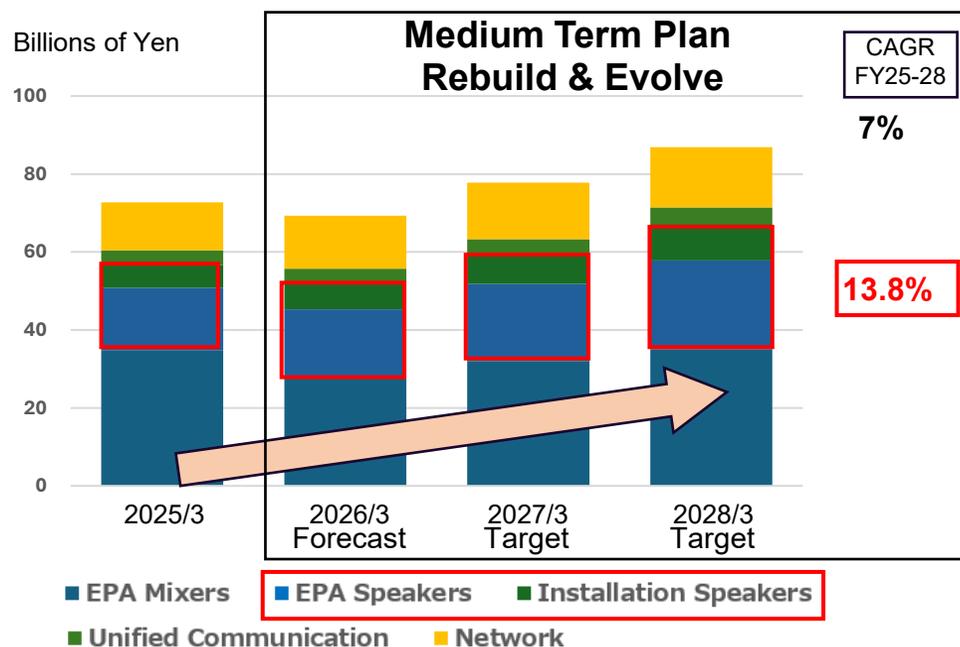


Others

Production: Achieving price competitiveness through production efficiency
Sales: Strengthening the sales structure by expanding specialized personnel

Summary

- Future Growth Areas for Professional Audio Business: **Entertainment PA Speakers, Installation Speakers Business**
- Market Landscape: Demand for speaker products is expanding due to the rise of experience economy, **projected to grow at a CAGR of 4.5% through 2030**
- Target Areas: Yamaha aims to differentiate itself from competitors, focusing on the **entertainment area requiring complex acoustic design**
- Growth Strategy: Realizing new value propositions and enhanced product competitiveness through **Yamaha's proprietary technologies and NEXO's speaker design expertise**



> Business Plan (3 years)

- CAGR of Professional Audio Solution : 7%
- CAGR of Entertainment PA speakers and Installation Speakers : **13.8%**

Introduction of the Mobility Solutions Business

Wataru Ogino

**Senior General Manager of Mobility Solutions Division
Audio Products Business Unit**

1971 Established our own semiconductor factory and began in-house production of semiconductors for digital musical instruments



1983 Began external sales of semiconductors

80s and 90s PC audio ICs became a major success



2000s Mobile phone ringtone ICs was a huge hit

Expanded lineups of consumer electronics and automotive ICs and began offering speaker modules

Sales of automotive audio and voice processing ICs expanded



2020 Development and launch of in-vehicle audio amplifiers and speaker products

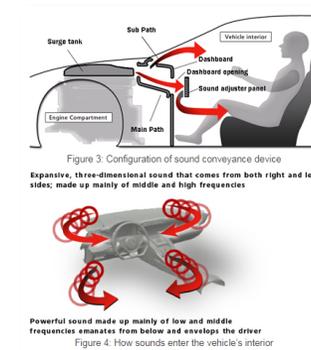
2025 Decision to concentrate business domain on mobility sector;
renamed to **Mobility Solutions Division**

Since commencing external sales of semiconductors in 1983, we have developed and sold sound DSPs, graphics ICs, and in-vehicle/out-of-car audio systems to a wide range of automakers, earning their trust.

Toyota Nissan Mitsubishi Motors Mazda

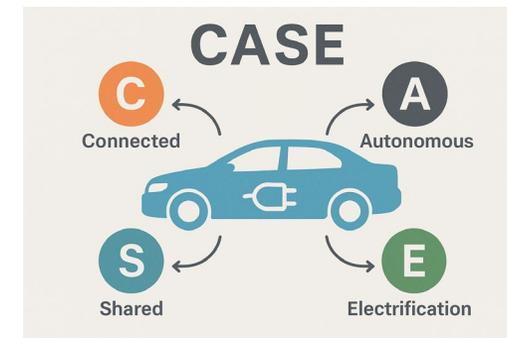
Subaru Honda Suzuki

Hyundai Ford Land Rover Jaguar



As we enter a once-in-a-century transformation period, the electrification and intelligentization of vehicles are trending, while growing comfort needs are expanding our opportunities and market demand for sound

- > Decision to enter the automotive sound system business, leveraging our comprehensive expertise in sound and music



Major Achievements of Automotive Sound System



Market entry in 2020

Adopted by 6 Japanese and Chinese automakers

Offers a wide range of systems from 4ch/6 speakers to 32ch/31 speakers



Toyota



ZEEKR



GAC MOTOR



Mitsubishi Motors



MG



Yamaha Motor



Differentiate through *Total Sound Coordination* that enhances a unique vehicle characteristics and a *New Experience Creation*

As vehicles become increasingly intelligent and the need for differentiation beyond basic driving functions grows, Yamaha is leading the creation of new value for in-vehicle sound systems. By deeply engaging with partners from the planning stage, we contribute to enhancing the in-cabin experience.

Growing demand for concept differentiation and new features on a model by model basis



Existing Audio Brands

Provide the sound of the brand, but do not perform sound design for each model.

New experiences through advanced technology

Music:AI®

Total Sound Coordination



A sound system dedicated to instrument fidelity



Technology and Sensibility as a Comprehensive Sound and Music Manufacturer

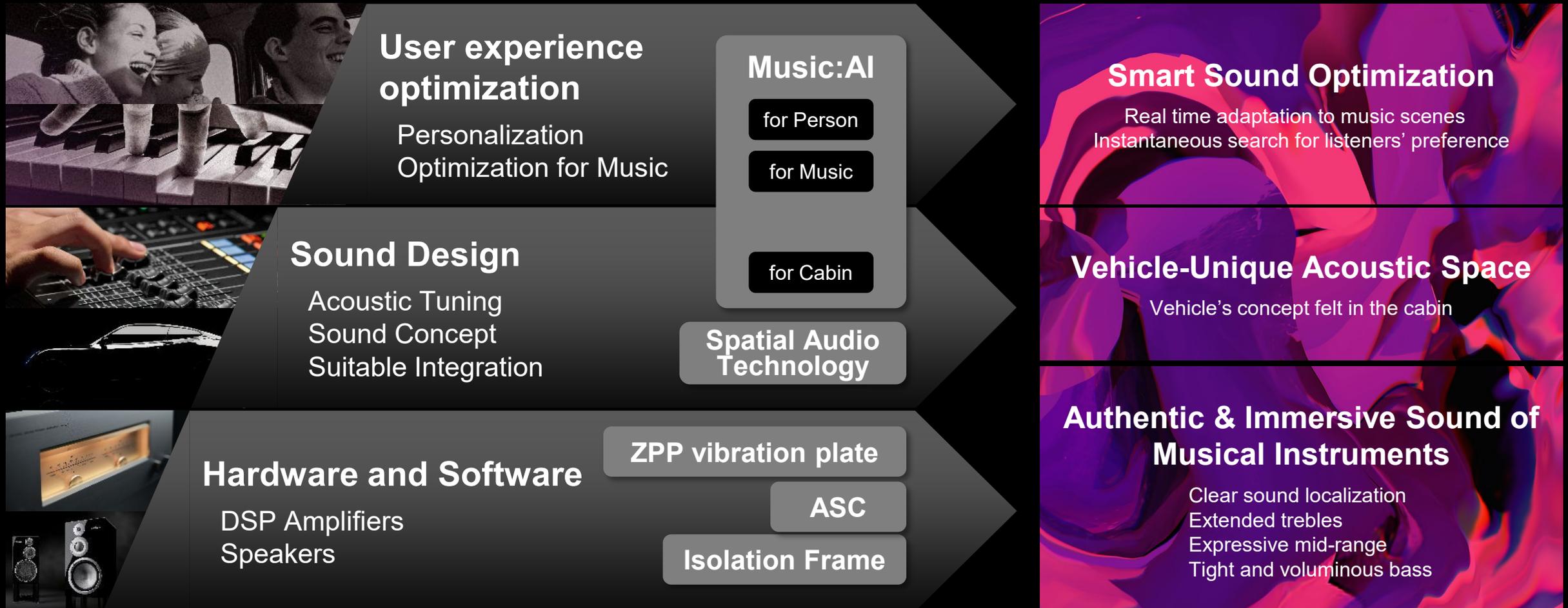


What Yamaha Offers



Deliver new experiential value through sound design tailored to vehicle concepts and advanced technologies of AI

Realize the ultimate musical experience through technology and sensibility



TRUE SOUND

The authentic sound of an instrument that conveys the performer's intent

Yamaha's sound design represents the passion of its creators.

It goes beyond merely extracting 100% of the audio source information. We aim to understand the dedication of instrument makers and music creators—the very source of the sound—and the emotions of performers through our own sensibilities, reproducing this within the vehicle's interior space.

Our goal is to deliver passion through sound that stirs the listener's heart. This aspiration is the very ideal of what Yamaha strives to achieve.

Yamaha continues to create new fascinating driving experiences through the heart-stirring sounds played by artists.



Optimized AI that creates the ultimate musical experience



Reduces development costs by shortening the tuning period

Acoustic tuning is essential for adapting to the specific characteristics of each vehicle's cabin space. Music:AI for Cabin quickly derives the optimal solution from countless sets of acoustic parameters.



Optimize the sound of the sound in real time

To enjoy music with great immersiveness, optimal sound parameters for each musical scene are essential. Music:AI for Music eliminates the need for manual sound adjustments and contributes to safer driving.

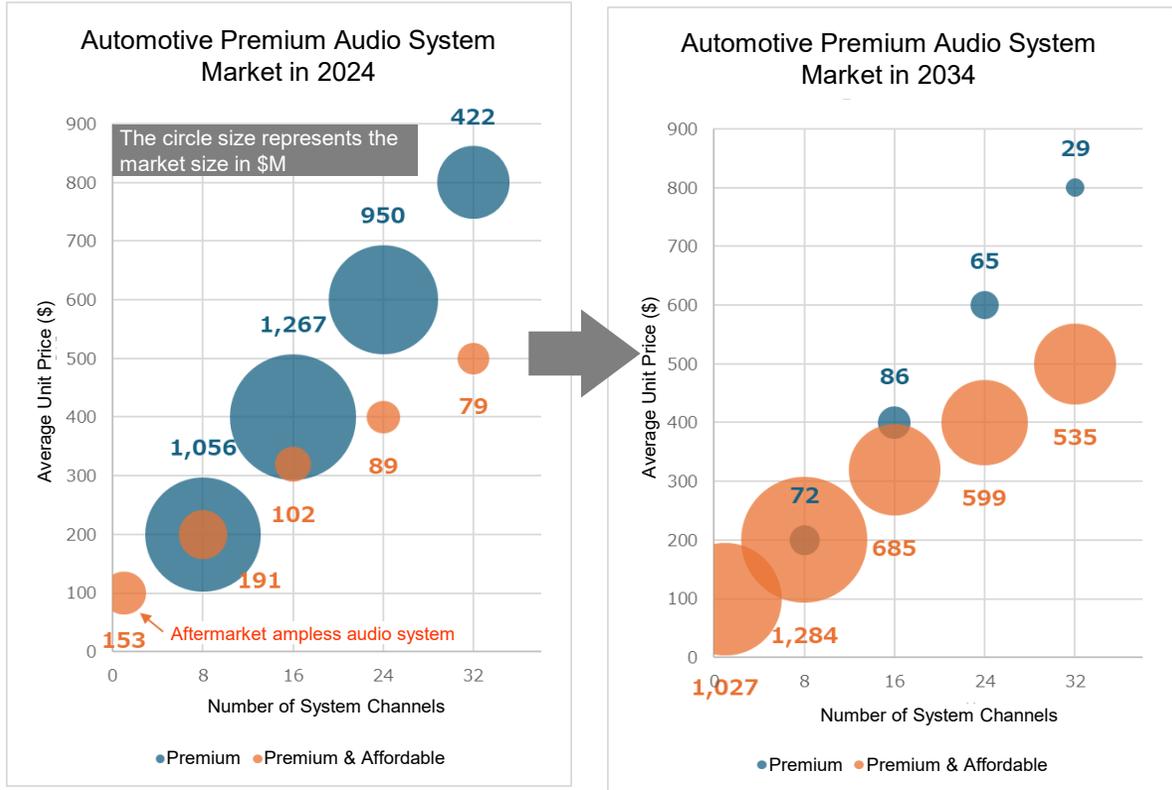


Discovers acoustic characteristics reflecting each listener's preference

Listeners' preferences vary greatly for the balance between high and low frequencies. Music:AI for Person provides optimal acoustic parameters for each individual through conversation.

Demand for high-spec, low-cost audio system is expanding, particularly in the Chinese market. Development cycles continue to shorten, making proposal and development speed key factors for adoption.

Development and production systems that maximize both cost efficiency and speed



Build a highly portable software platform tailored to the SDV era

Lightning-fast development and optimized production utilizing multiple ODM suppliers

Changes in the Structure of the Automotive Premium Audio Market

Focusing primarily on automotive sound systems, we aim to achieve sales of ¥23 billion in March 2028.

