



Analyst and Investor Briefing on Second Quarter of FY2026.3

(Fiscal year ending March 31, 2026)



November 4, 2025

Yamaha Corporation

Good afternoon, everyone. I am Yamaura. Thank you for gathering on your busy schedule. I would now like to explain the results for the second quarter of FY2026.3.

FY2026.3 1H Highlights

Overview

Achievements of first half of FY2026.3 (six months)

- Revenue declined due to sluggish market conditions in China, the absence of last years' high demand of audio equipment for professional use, and the delayed recovery of the European market.
- Core operating profit decreased due to the impact of additional U.S. tariffs and a worsening product mix resulting from lower sales of high-margin audio equipment for professional use.

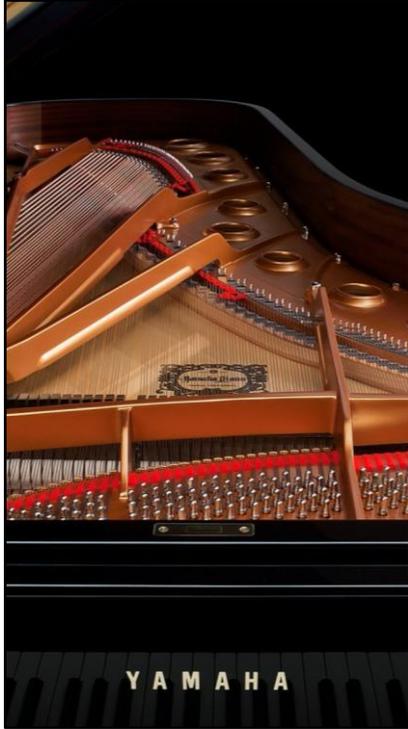
Outlook

Full Year Forecasts for FY2026.3

- Revenue is forecast to decline due to the end of high demand of audio equipment for professional use and the sluggish Chinese market.
- Core operating profit is expected to decline due to the impact of U.S. tariffs and a deterioration in the product and regional mix.

I'd like to start by presenting the highlights of the first half of fiscal year ending in March 2026. Regarding the financial results summary for the first half of the fiscal year ending March 2026, revenue decreased due to sluggish market conditions in China, the absence of high demand for audio equipment for professional use, and delayed recovery in European markets. Core operating profit decreased due to the impact of additional U.S. tariffs and a worsening product mix resulting from lower sales of high-margin audio equipment for professional use.

Regarding the earnings forecast for the full fiscal year ending March 2026, we anticipate that revenue decrease due to the end of high demand for audio equipment for professional use and the sluggish market conditions in China. We also expect a decrease in core operating profit due to the impact of U.S. tariffs and a deterioration in the product and regional mix.



1. Performance Summary

FY2026.3 1H (Six Months) Summary

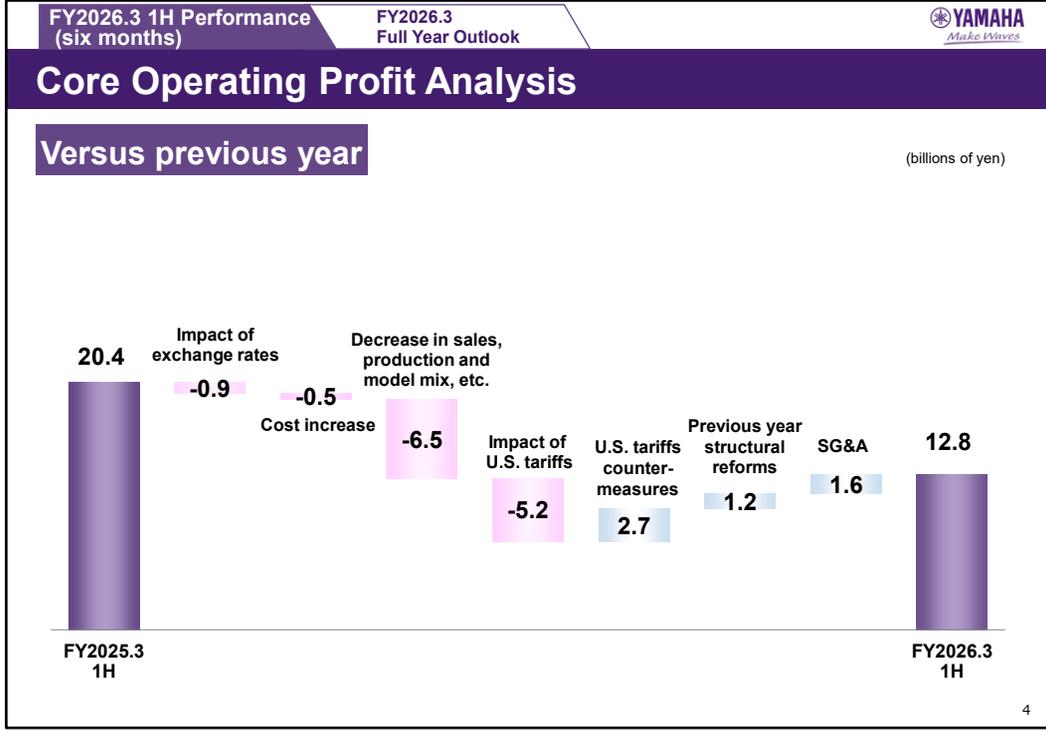
(billions of yen)

	FY2025.3 1H	FY2026.3 1H	Change (YoY)	
Revenue	228.1	216.4	-11.8	^{*2} -5.2%
Core Operating Profit (Core Operating Profit Ratio)	20.4 (9.0%)	12.8 (5.9%)	-7.6	-37.4%
Net Profit ^{*1}	5.3	9.8	4.5	+85.4%
Exchange Rate (yen)				^{*2} -2.9% (Excluding the impact of exchange rate)
US\$	153	146		
EUR	166	167		

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

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Next, I will explain the overview of the financial results. Here are the actual results for the first half. For the fiscal year ending March 2026, revenue was ¥216.4 billion, core operating profit was ¥12.8 billion, a core operating profit ratio of 5.9%, and net profit was ¥9.8 billion. The exchange rates for the first half are shown on this slide. Revenue decreased by 5.2% compared to the previous period, but excluding the impact of exchange rates, the decrease was 2.9%.



Next, this slide shows the factors contributing to the increase or decrease in core operating profit using a waterfall chart. In the first half of the previous fiscal year, core operating profit was ¥20.4 billion. The decrease in sales, production and model mix, etc. amounted to ¥6.5 billion, attributed to factors such as entertainment PA equipment which saw substantial revenue growth in the previous period, including the resolution of backlog orders, and Europe, where high-value-added models accounted for a high proportion. The impact of tariffs factored in this time amounted to a negative ¥5.2 billion year-on-year. Approximately half of this, ¥2.7 billion, was covered through price increases and other measures. Other factors include the ¥1.2 billion positive effect from the structural reforms we are implementing in piano manufacturing, resulting in a final core operating profit of ¥12.8 billion.

Performance by Business Segment

(billions of yen)

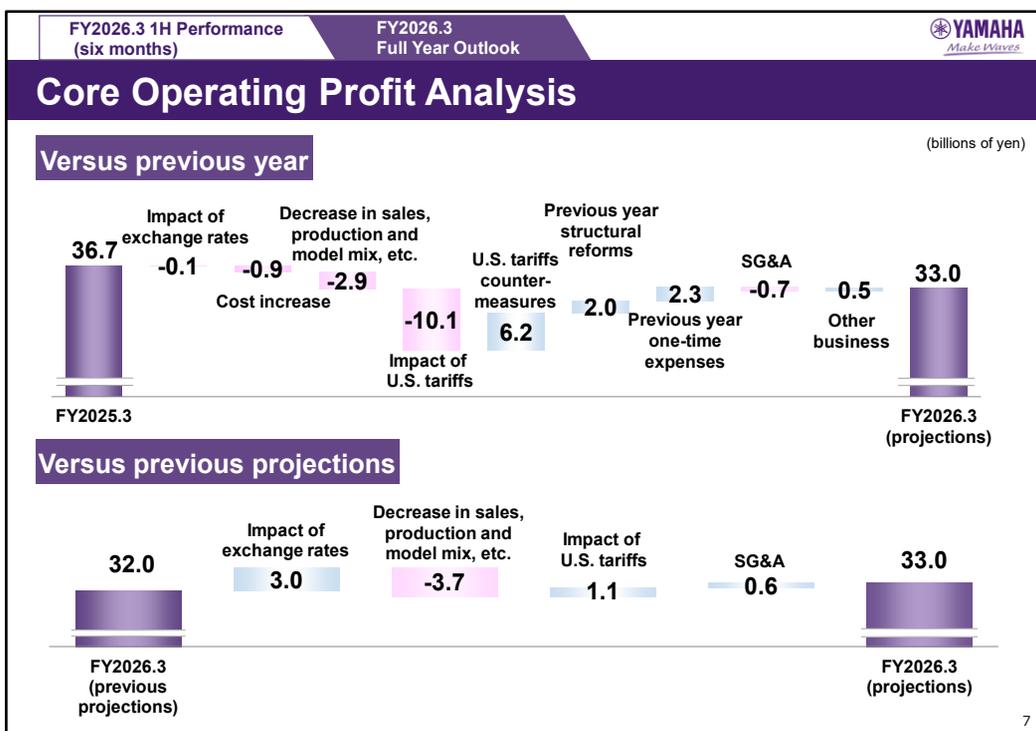
		FY2025.3 1H	FY2026.3 1H	Change	Exchange rate impact
Musical Instruments	Revenue	145.2	140.4	-4.8	-3.6
	Core Operating Profit	10.6	7.7	-2.9	-0.5
	Core Operating Profit Ratio	7.3%	5.5%	-1.8P	
Audio Equipment	Revenue	74.8	67.7	-7.2	-1.4
	Core Operating Profit	9.9	5.4	-4.5	-0.2
	Core Operating Profit Ratio	13.2%	7.9%	-5.3P	
Others	Revenue	8.1	8.3	0.2	-0.2
	Core Operating Profit	-0	-0.3	-0.2	-0.2
	Core Operating Profit Ratio	-0.4%	-3.2%	-2.8P	

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Next, here are the results by business segment. For the musical Instruments business, revenue was ¥140.4 billion, core operating profit was ¥7.7 billion, and the core operating profit ratio was 5.5%. For the audio equipment business, revenue was ¥67.7 billion, core operating profit was ¥5.4 billion, and the core operating profit ratio was 7.9%. Others business performed as shown here.

FY2026.3 1H Performance (six months)		FY2026.3 Full Year Outlook			YAMAHA Make Moves	
FY2026.3 Outlook						
(billions of yen)						
	FY2025.3 Full year	FY2026.3 Full year (previous projections)	FY2026.3 Full year (projections)	Change	Change from the previous projections	
Revenue	462.1	452.0	458.0	-4.1 ^{*2}	6.0	
Core Operating Profit (Core Operating Profit Ratio)	36.7 (7.9%)	32.0 (7.1%)	33.0 (7.2%)	-3.7	1.0	
Net Profit^{*1}	13.4	22.5	23.0	9.6	0.5	
				^{*2} +0.8% (Excluding the impact of exchange rate)		
Exchange Rate (yen)				Currency sensitivity per JPY1		
US\$	153	145	146	Revenue	JPY 880 million	
				Profit	JPY 110 million	
EUR	164	161	169	Revenue	JPY 620 million	
				Profit	JPY 370 million	
				^{*2} 2H currency exchange rates US\$=145JPY, EUR=170JPY		
^{*1} Net profit is presented as net profit attributable to owners of parent on the consolidated financial statements.						6

Next, let's look at our full-year earnings forecast. For the fiscal year ending March 2026, our current forecast is revenue of ¥458.0 billion, a decrease of ¥4.1 billion compared to the previous year. Compared to the previous forecast, this represents an increase of ¥6.0 billion. Core operating profit is forecast at ¥33.0 billion, with a core operating profit ratio of 7.2%. Compared to the previous fiscal year, this is a decrease of ¥3.7 billion, but compared to the previous forecast, it is an increase of ¥1.0 billion. Net profit is forecast at ¥23.0 billion, an increase of ¥9.6 billion compared to the previous fiscal year and an increase of ¥0.5 billion compared to the previous forecast. The exchange rate assumptions are as shown here.



This waterfall chart shows the factors affecting the change in core operating profit in the full-year forecast. First, the upper section compares with the previous fiscal year. From the previous year's actual result of ¥36.7 billion, factors including a decrease in sales, production, and model mix, etc. resulted in a decrease of ¥2.9 billion. As mentioned earlier, the decline in sales of entertainment PA equipment was a major factor here. The negative factor of tariff impacts of ¥10.1 billion was offset by ¥6.2 billion in countermeasures; the effect of structural reforms from the previous period of positive ¥2.0 billion; and a positive ¥2.3 billion from one-time expenses recorded in the previous period. This results in a full-year forecast of ¥33.0 billion. Next, looking at the lower section, comparing with the previous forecast: impact of exchange rates added ¥3.0 billion, while a decrease in sales, production and model mix, etc., primarily due to lower European revenue, will push down the profit by ¥3.7 billion. Including a ¥0.6 billion reduction in SG&A expenses from the previous forecast, the core operating profit is projected to be ¥1.0 billion higher than the previous forecast of ¥32.0 billion.

Outlook by Business Segment

(billions of yen)

		FY2025.3 Full year	FY2026.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	Revenue	296.1	299.0	2.9	-5.7
	Core Operating Profit	22.1	21.5	-0.6	0.1
	Core Operating Profit Ratio	7.5%	7.2%	-0.3P	
Audio Equipment	Revenue	147.8	139.0	-8.8	-1.9
	Core Operating Profit	14.3	11.0	-3.3	0.2
	Core Operating Profit Ratio	9.7%	7.9%	-1.8P	
Others	Revenue	18.2	20.0	1.8	-0.4
	Core Operating Profit	0.3	0.5	0.2	-0.3
	Core Operating Profit Ratio	1.6%	2.5%	+0.9P	

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Next, here is the overview by business segment. This is the musical instruments business. For the full-year forecast, revenue is projected to be ¥299.0 billion, core operating profit ¥21.5 billion, and the core operating profit ratio is forecast to be 7.2%. For the audio equipment business, revenue is projected to be ¥139.0 billion, core operating profit ¥11 billion, and the core operating profit ratio is forecast to be 7.9%. For others business, forecast is as shown here.

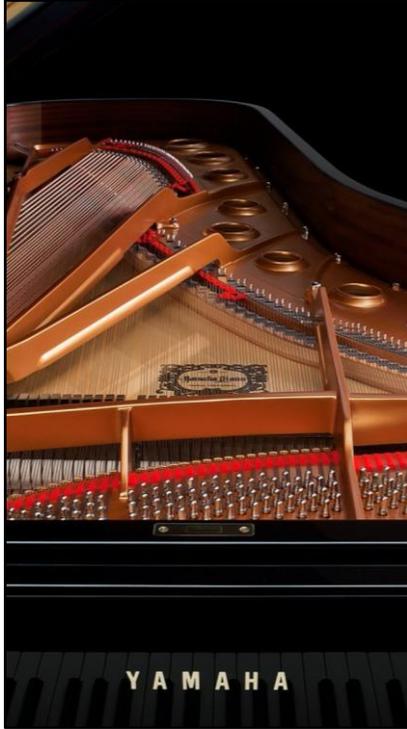
Outlook by Business Segment

(billions of yen)

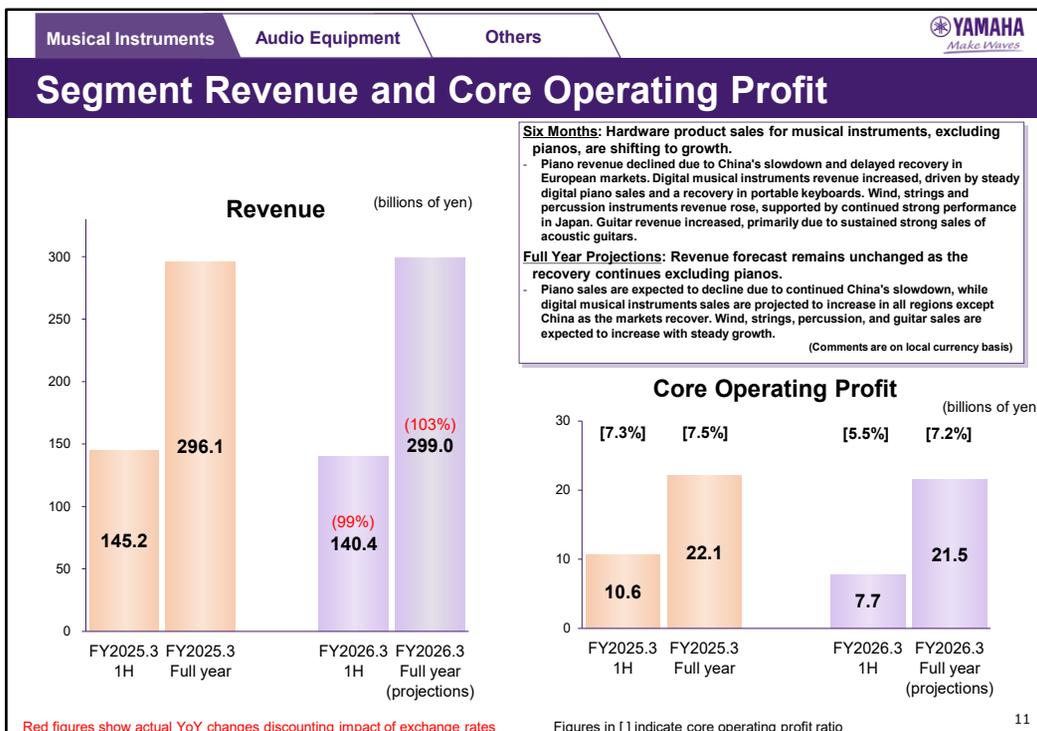
		FY2026.3 Full year (previous projections)	FY2026.3 Full year (projections)	Change	Exchange rate impact
Musical Instruments	Revenue	293.0	299.0	6.0	5.3
	Core Operating Profit	20.5	21.5	1.0	2.2
	Core Operating Profit Ratio	7.0%	7.2%	+0.2P	
Audio Equipment	Revenue	139.0	139.0	0	2.4
	Core Operating Profit	11.0	11.0	0	0.8
	Core Operating Profit Ratio	7.9%	7.9%	0P	
Others	Revenue	20.0	20.0	0	0
	Core Operating Profit	0.5	0.5	0	0
	Core Operating Profit Ratio	2.5%	2.5%	0P	

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Compared to the previous forecast, excluding the impact of exchange rates, the projection of the musical instruments business shows increased revenue.

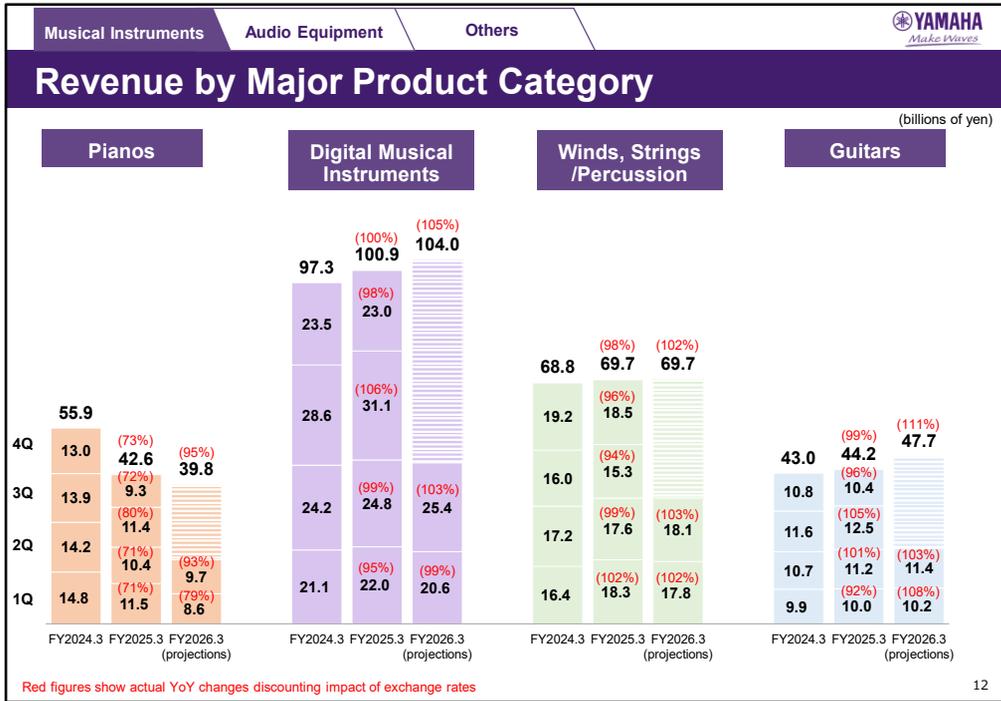


2. Segment Overview & Updates

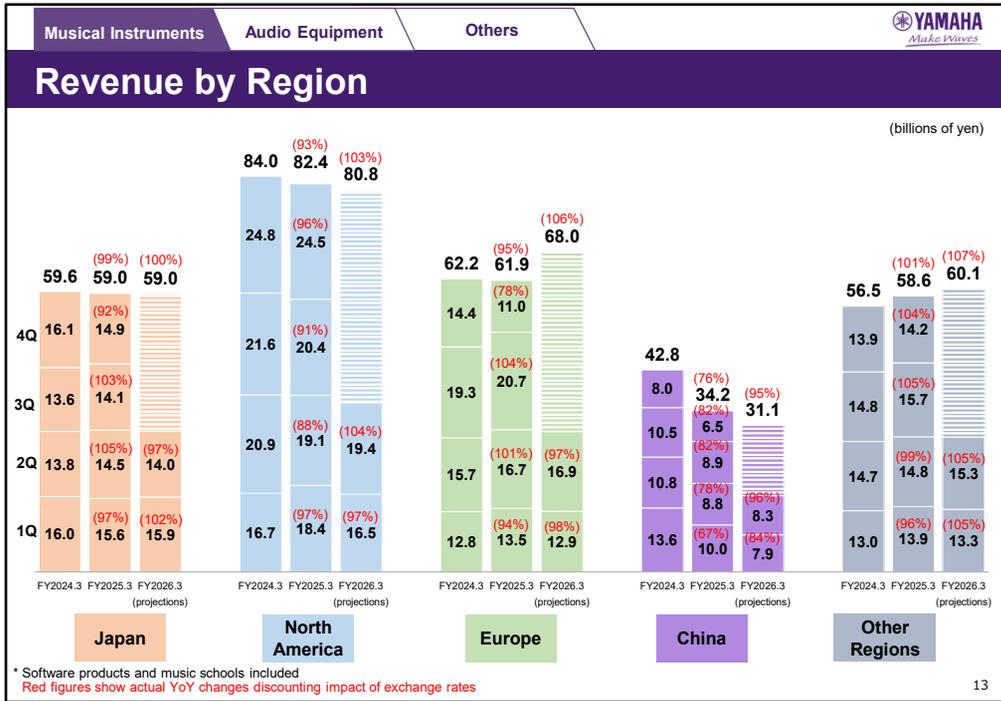


Next, let's go through the business segment overview. First, the musical instruments business. The upper right summarizes the first half results and full-year outlook. For the first half, hardware product sales for musical instruments excluding pianos shifted to growth. Piano decreased due to sluggishness in China and delayed recovery in European markets. However digital musical instruments revenue increased, driven by steady digital piano sales and a recovery in portable keyboards. Wind, strings, and percussion instruments continued strong performance in Japan leading to increased revenue. Guitar revenue increased, primarily driven by continued strong performance in acoustic guitars.

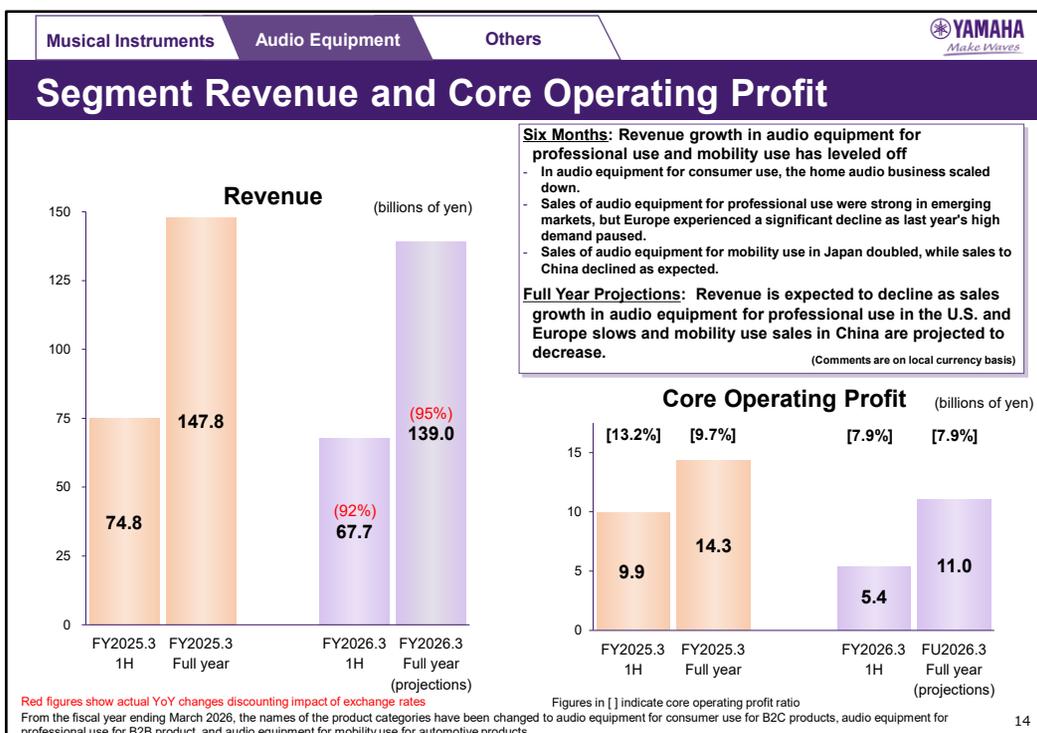
Moving to the full-year outlook, we maintain our forecast for revenue with recovery expected across all product categories except pianos. Piano sales are expected to decline due to continued sluggishness in China. Digital musical instruments sales are projected to increase as all regions except China recover. Wind, strings, and percussion instruments, as well as guitar sales, are also expected to be solid leading to increased sales.



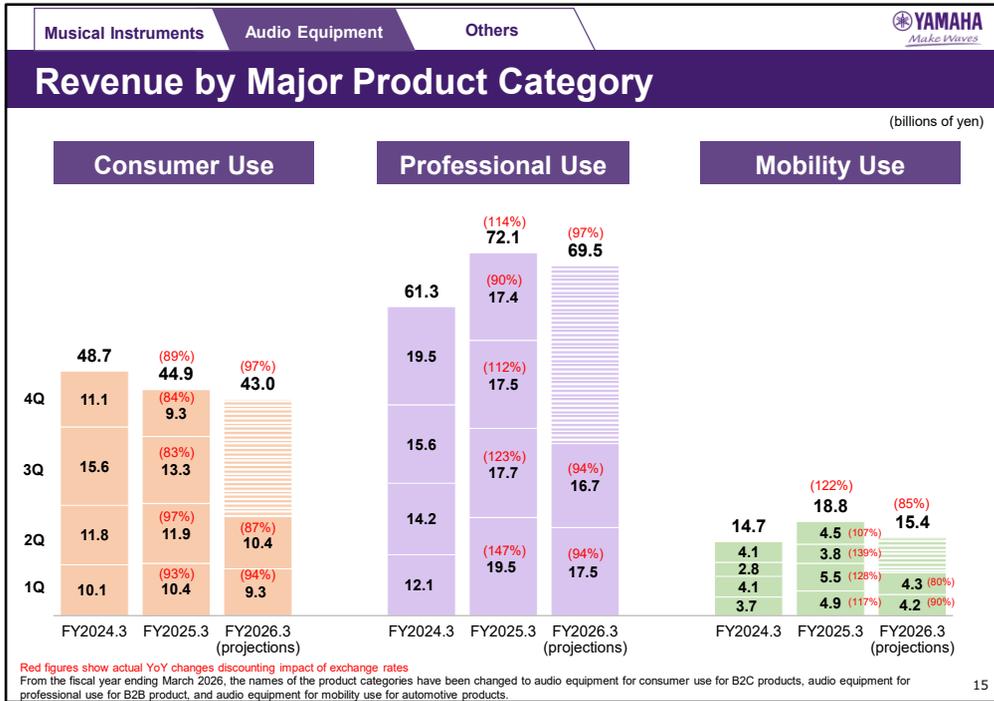
This shows the sales status and outlook by major product category. Excluding the impact of exchange rates, pianos are projected to decrease by 5% year-on-year, digital musical instruments to grow by 5%, wind, strings, and percussion instruments by positive 2%, and guitars by positive 11%.



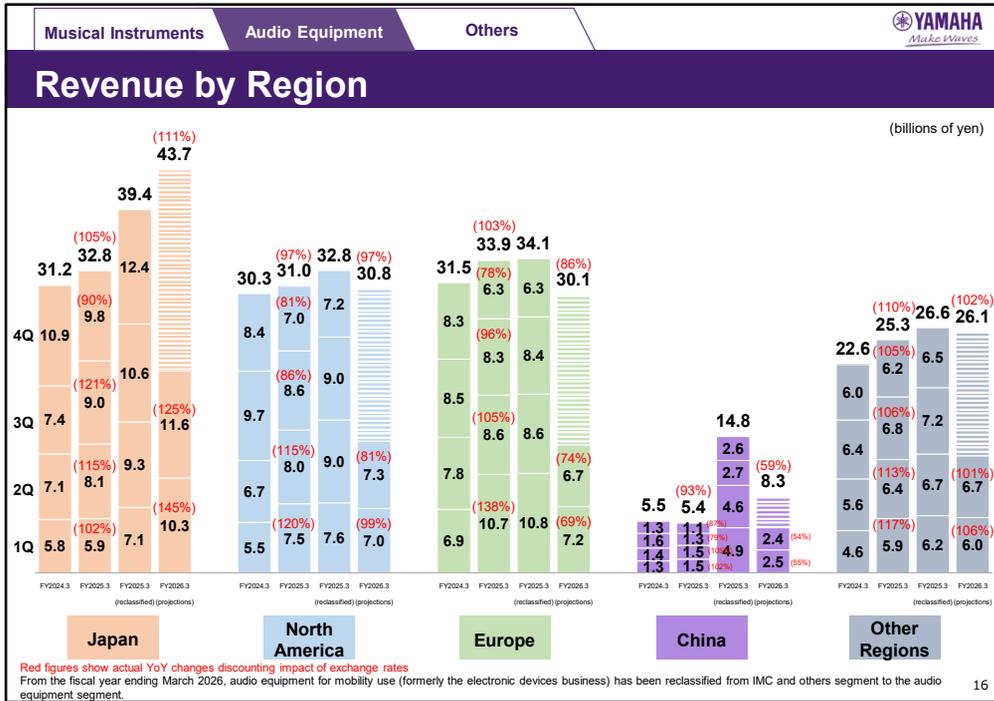
Next, the sales status and outlook by region. Europe stands out with 6% growth compared to the previous period, but this is due to the impact of revenue declines caused by issues during the core system replacement in the fourth quarter of the previous period. North America and other regions are showing growth on a real basis, while China is projected at negative 5% compared to the previous period.



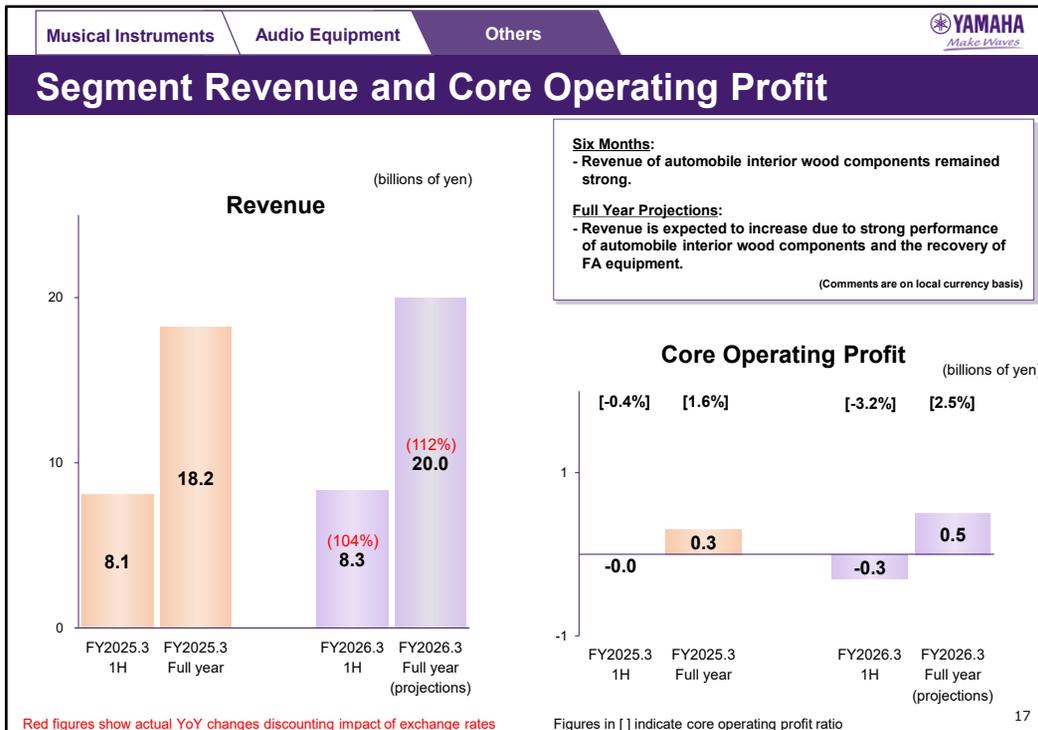
Next, regarding the audio equipment business. For the first half, growth in audio equipment for professional use and mobility use has leveled off. Consumer use saw a decline in home audio. Audio equipment for professional use performed well in emerging markets, but Europe which had high demand last year saw a significant decrease. Audio equipment for mobility use doubled in Japan, but as expected, sales to China decreased. For the full year outlook, we anticipate that revenue to decrease in audio equipment for professional use in Europe and the U.S., coupled with a decline in automotive sound system sales in China, leading to a full-year revenue decrease.



Here is the sales outlook for these three categories. Audio equipment for consumer use and professional use are projected at negative 3% of the previous year, while mobility use is projected at negative 15%.



Next, the sales situation and outlook by region. Japan is projected to show significant growth at 11%, driven by strong growth in audio equipment for mobility use for the Japanese market and robust performance in network equipment. Conversely, Europe is forecast to show a significant year-on-year decline due to reduced entertainment PA sales, while outlook for China also shows a significant year-on-year decline due to reduced sales of mobility audio to Chinese manufacturers.



Regarding others business, automobile interior wood components continued to perform well, and we anticipate increased revenue from factory automation equipment in the second half.

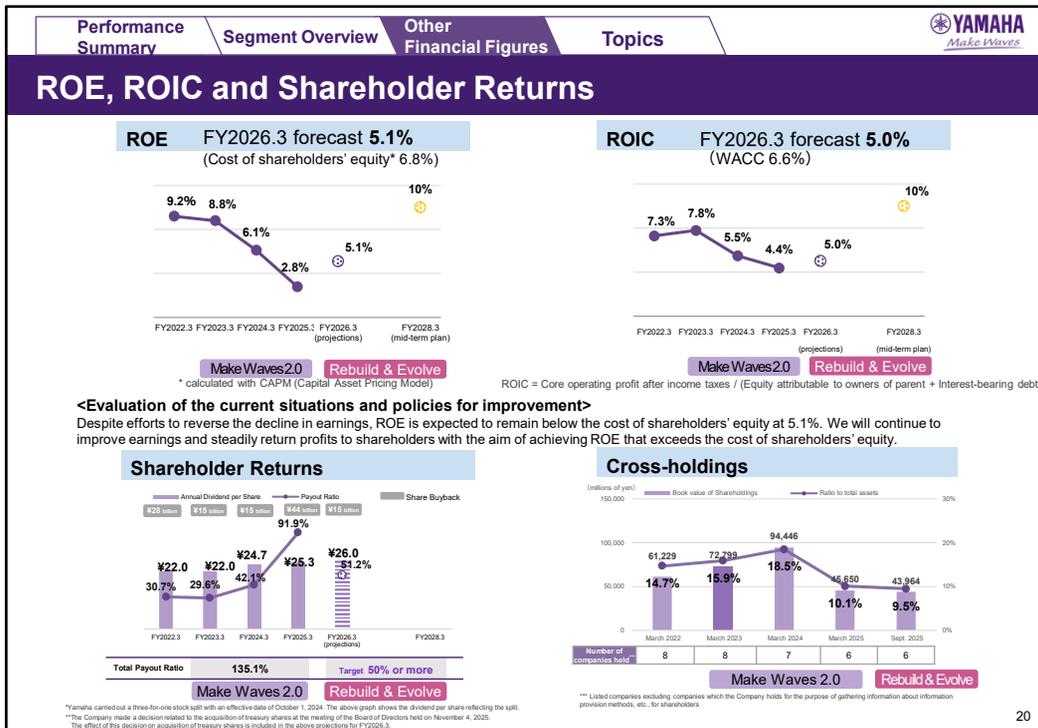


3. Other Financial Figures

Performance Summary		Segment Overview		Other Financial Figures		Topics		YAMAHA Make Moves	
Balance Sheet Summary									
	As of March 31, 2025	As of Sept. 30, 2025	Change	As of March 31, 2026 (projections)	(billions of yen)				
Cash and cash equivalents	99.8	107.5	7.7	94.0					
Trade and other receivables	87.3	80.3	-7.0	88.3					
Other financial assets	5.2	4.3	-0.9	5.2					
Inventories	150.5	156.0	5.5	147.0					
Other current assets	9.1	8.2	-0.9	10.8					
Non-current assets	239.3	242.1	2.8	235.6					
Total Assets	591.3	598.4	7.2	581.0					
Current liabilities	106.7	101.3	-5.3	95.8					
Non-current liabilities	34.5	35.8	1.3	34.5					
Total equity	450.1	461.3	11.2	450.7					
Total liabilities and equity	591.3	598.4	7.2	581.0					

The Company made a decision related to the acquisition of treasury shares at the meeting of the Board of Directors held on November 4, 2025. The effect of this decision on acquisition of treasury shares has not been taken into the projections for FY2026.3.

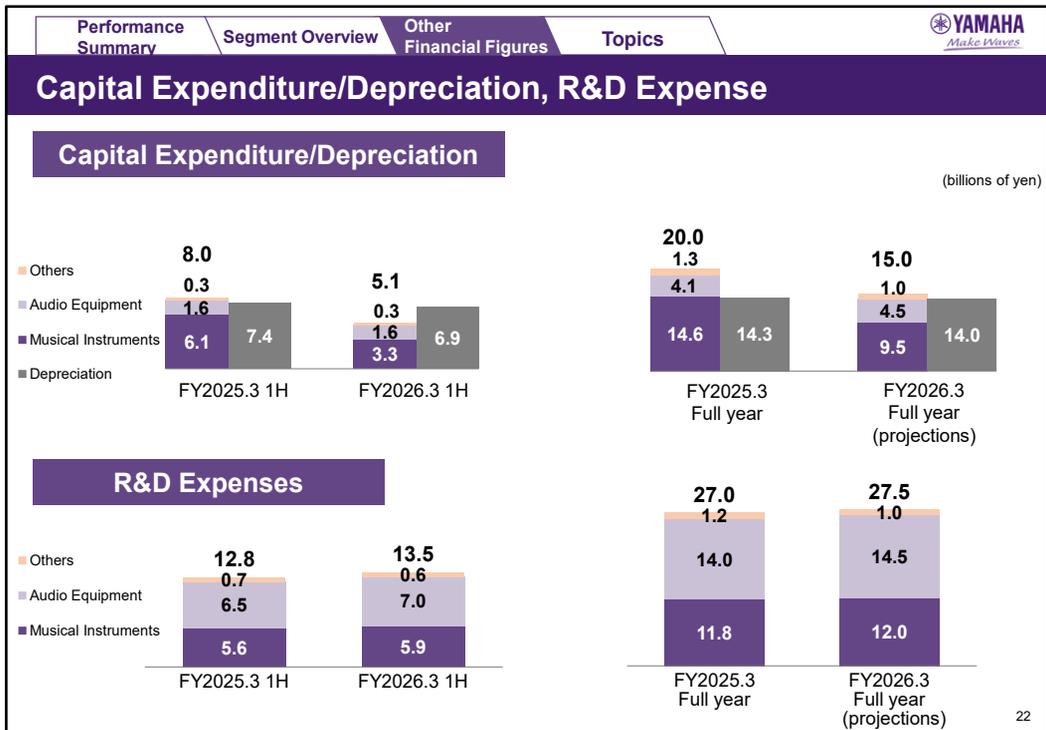
Next, other financial figures. First, the balance sheet. Changes at the end of the first half show cash and cash equivalents increased by ¥7.7 billion. Other items, such as trade and other receivable and inventory, show relatively large fluctuations, but these are largely due to seasonality of our business. Current liabilities decreased by ¥5.3 billion, primarily due to progress in settling unpaid liabilities. For the forecast at the end of March 2026, cash and cash equivalents is projected at ¥94.0 billion and inventory at ¥147.0 billion representing a slight decrease from the previous fiscal year-end.



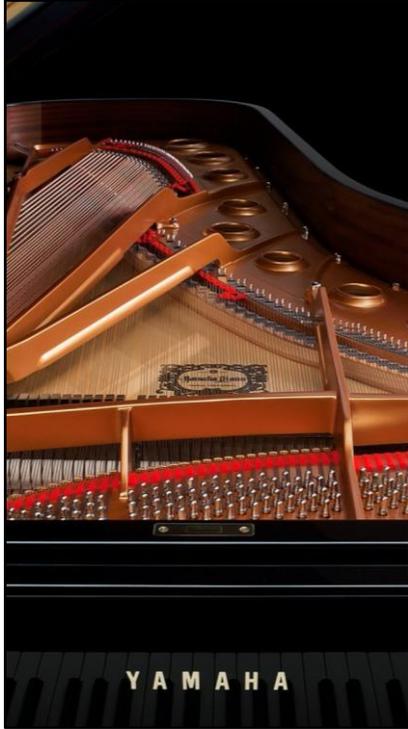
This slide summarizes ROE, ROIC, and shareholder returns. First, ROE. We initially planned for 6.3%, but due to tariff impacts, the forecast now stands at 5.1%. There remains a gap to the cost of shareholders' equity of 6.8%. We will continue to pursue the earnings and policies for improvement and the steady execution of shareholder returns. The ROIC forecast is 5.0%. Regarding shareholder returns, we are presenting an annual dividend of ¥26 per share.

Performance Summary	Segment Overview	Other Financial Figures	Topics	
Acquisition of Treasury Shares				
<u>Date of Resolution</u> November 4, 2025				
<u>Reasons for the acquisition</u> To enhance shareholder returns and capital efficiency				
<u>Acquisition period</u> November 5, 2025 to March 31, 2026				
<u>Number of shares to be acquired</u> 20 million shares (maximum) representing 4.4% of outstanding shares, excluding treasury shares				
<u>Amount of acquisition</u> ¥15 billion (maximum)				
<u>Acquisition method</u> Purchase on the Tokyo Stock Exchange market				
The Company plans to <u>cancel all the treasury shares purchased</u> in this acquisition.				
* Total number of outstanding shares (excluding treasury shares) as of September 30, 2025: 453,385,763 shares				
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Additionally, at today's Board of Directors meeting, we resolved matters concerning the acquisition of treasury shares. The acquisition period, total acquisition amount, and other details are as shown on this slide. This treasury shares acquisition aims to enhance shareholder returns and capital efficiency. We plan to cancel all acquired treasury shares.



Capital expenditures, depreciation, and R&D expenses are as shown on this slide.



4. Topics

Performance Summary | Segment Overview | Other Financial Figures | Topics

YAMAHA
Make It Move

Medium-Term Management Plan Key Themes

Rebuilding a strong business foundation

New products that pursue intrinsic product value refined through technology and sensitivity

Synthesizers



MODX M series

Guitar amp and effects processors



Helix Stadium XL Floor

Music Production Tools



URX-C and UR-MK3 series

Network Equipment



Wireless LAN router NWR100
L2 switch SWX2320-30MC
L3 switch SWX3220-30MC

Strengthening Global Artist Relations

Yamaha to Open Yamaha Artist Services Europe Paris in January 2026



https://www.yamaha.com/en/news_release/2025/25090401/

Evolving to create the future

India



Revenue (Million Yen)



Opened an audio equipment experience center in Bangalore to strengthen audio equipment marketing (June 2025)

<https://in.yamaha.com/en/business/audio/news/2025/0604-new-experience-center-in-bangaluru.html>

Philippines



Revenue (Million Yen)



Plans to open a store on Lazada, Southeast Asia's largest online shopping platform (October 2025)

<https://www.lazada.com.ph/shop/yamaha-music-philippines/>

Explore new business areas and business development

Yamaha to host TRANSPOSE Innovation Challenge: A global business contest aiming to create new value driven by sound



https://www.yamaha.com/en/news_release/2025/25091001/
<https://yamaha-music.agorize.com/ja/challenges/transpose-innovation-challenge-2025/?lang=en>

Creating new business through collaboration

Yamaha Music Innovations collaborates with Southeast Asia's largest entertainment company POPS to launch real-digital hybrid promotions in Indonesia and Vietnam (October 2025)

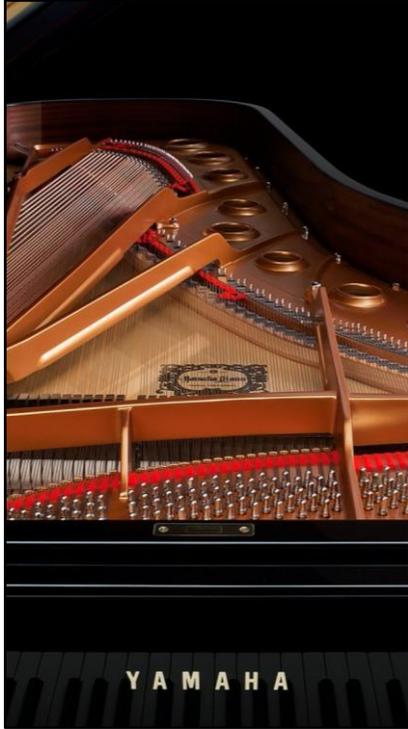


https://www.yamaha.com/en/news_release/2025/25092501/

Moving on to topics. I would like to introduce several initiatives we are pursuing as key themes of our mid-term management plan. First, as part of rebuilding a strong business foundation, we are advancing efforts such as developing new products and enhancing intrinsic product value. As introduced here, we have launched new products that refine intrinsic product value in synthesizers, guitar amplifiers, effects processors, music production tools, network equipment, and more. Next, I'd like to briefly introduce our challenges for evolving to create the future. First, we aim for revenue growth through proactive investment in key markets, particularly emerging markets. We have high expectations for India and the Philippines and have been advancing investments in each market. Additionally, as a challenge to create new businesses, we announced the launch of the global business contest, the TRANSPOSE Innovation Challenge.

Performance Summary	Segment Overview	Other Financial Figures	Topics	
Medium-Term Management Plan Key Themes				
Setting sustainability as a source of value		Strengthening the management foundation		
<p>Evaluation of environmental impact reduction initiatives</p> <p>Yamaha's Entry-Level Wind Instrument Packaging Wins the First Gold at Pentawards 2025</p> <div style="display: flex; align-items: center;"> <div style="text-align: center;">  <p>2025 Pentawards Gold</p> </div> <div style="text-align: center;">  <p>2025 Pentawards People's Choice Shortlist</p> </div> <div style="margin-left: 10px;"> <p>Renewed design that conveys product value and appeal, while building on sustainability and environmental impact reduction initiatives</p>  </div> </div> <p><small>Previous packaging boxes (left) and packaging box design after renewal (right)</small></p> <p><small>https://www.yamaha.com/en/news_release/2025/25100701/ https://www.yamaha.com/en/stories_for-our-future/packaging-redesign/</small></p>		<p>Expand music education initiatives in emerging countries</p> <p>Memorandum of Understanding signed for pilot implementation of music education using recorders</p> <div style="display: flex; align-items: center;"> <div style="text-align: center;">  <p>School Project</p> </div> <div style="margin-left: 10px;">  <p><small>Egypt: Ministry of Education and Technical Education Planned for: 100 public elementary schools https://www.yamaha.com/ja/news_release/2025/25082502/</small></p> </div> <div style="margin-left: 10px;">  <p><small>India: Department of School Education of Nagaland 40 public elementary schools https://www.yamaha.com/ja/news_release/2025/25082501/ <small>(in Japanese only)</small></small></p> </div> </div>		
<p>Ultrasonic Heat Seal Tester Wins Grand Prize at JAPAN PACK AWARDS 2025</p> <div style="display: flex; align-items: center;">  <div style="margin-left: 10px;"> <p>Ultrasonic tester that prevents lamination defects in food/medical packaging and batteries, reducing resource consumption and waste disposal costs</p> </div> </div> <p><small>https://www.yamaha.com/ja/news_release/2025/25102101/ <small>(in Japanese only)</small></small></p>		<p>Deepening bonds and fostering a sense of unity among Yamaha affiliates around the world</p> <p>Yamaha Day, a day to reflect on the Yamaha brand, a global in-house event held in real and online</p>  <p><small>Yamaha Awards 2025 presidential award grand prix and winners</small></p>		
<p>Broaden the base of music culture by creating opportunities for young children to experience music</p> <p>Yamaha Music Education Program Provided to Vietnamese Preschools</p> <p>Partnership with Vietnamese EdTech Company Funded by Gakken Group Companies</p> <p><small>https://www.yamaha.com/ja/news_release/2025/25082502/ <small>(in Japanese only)</small></small></p> 		<p>Stakeholder Engagement</p> <p>Yamaha Group Annual Report 2025</p>  <p><small>https://www.yamaha.com/en/fr/library/publications/</small></p>		
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Regarding our initiatives to set sustainability as a source of value, we are expanding our efforts to promote music education in emerging markets, as shown in the center. We present examples from Egypt, India, and Vietnam here. Furthermore, we are steadily progressing our mid-term plan's key themes, including strengthening the management foundation. The following is supplementary material. This concludes my presentation. Thank you.



Appendix

Performance in 2Q FY2026.3 (Three Months)

(billions of yen)

	FY2025.3 2Q	FY2026.3 2Q	Change	
Revenue	116.0	112.5	-3.5	-3.0% ^{*2}
Core Operating Profit (Core Operating Profit Ratio)	11.2 (9.6%)	8.1 (7.2%)	-3.1	-27.6%
Net Profit ^{*1}	-4.2	7.4	11.5	+277.4%
Exchange Rate (yen)				^{*2} -2.9 % (Excluding the impact of exchange rate)
US\$	150	147		
EUR	164	171		

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

Performance by Business Segment in 2Q FY2026.3 (Three Months)

(billions of yen)

		FY2025.3 2Q	FY2026.3 2Q	Change	Exchange rate impact
Musical Instruments	Revenue	73.8	73.9	0	-0.1
	Core Operating Profit	6.4	5.6	-0.8	0.2
	Core Operating Profit Ratio	8.6%	7.6%	-1.1P	
Audio Equipment	Revenue	38.3	34.7	-3.6	0.1
	Core Operating Profit	5.2	3.1	-2.2	0.1
	Core Operating Profit Ratio	13.6%	8.8%	-4.8P	
Others	Revenue	3.9	3.9	0.1	-0.1
	Core Operating Profit	-0.4	-0.5	-0.2	-0.1
	Core Operating Profit Ratio	-10.5%	-13.9%	-3.4P	

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1H Other Income and Expenses (Six Months)

(billions of yen)

		FY2025.3 1H	FY2026.3 1H
Core Operating Profit		20.4	12.8
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	-0	0
	Others	-8.4	-0.4
	Total	-8.5	-0.3
Operating Profit		12.0	12.5
Financial Income and Expenses	Dividends income	1.5	1.0
	Others	-4.4	0.7
	Total	-2.9	1.7
Profit before Income Taxes		9.1	14.2
Income taxes		-3.8	-4.4
Net profit attributable to non-controlling interests		0	0
Net Profit^{*1}		5.3	9.8

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

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Full Year Other Income and Expenses

(billions of yen)

		FY2025.3 Full year	FY2026.3 Full year (projections)
Core Operating Profit		36.7	33.0
Other Income and Expenses	Profit from (loss on) disposal of fixed assets	0.4	-0.1
	Others	-16.4	-2.0
	Total	-16.0	-2.1
Operating Profit		20.7	31.0
Financial Income and Expenses	Dividends income	2.6	1.9
	Others	-0.8	-0.3
	Total	1.8	1.5
Profit before Income Taxes		22.5	32.5
Income taxes		-9.0	-9.3
Net profit attributable to non-controlling interests		-0.1	-0.2
Net Profit ^{*1}		13.4	23.0

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

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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.