

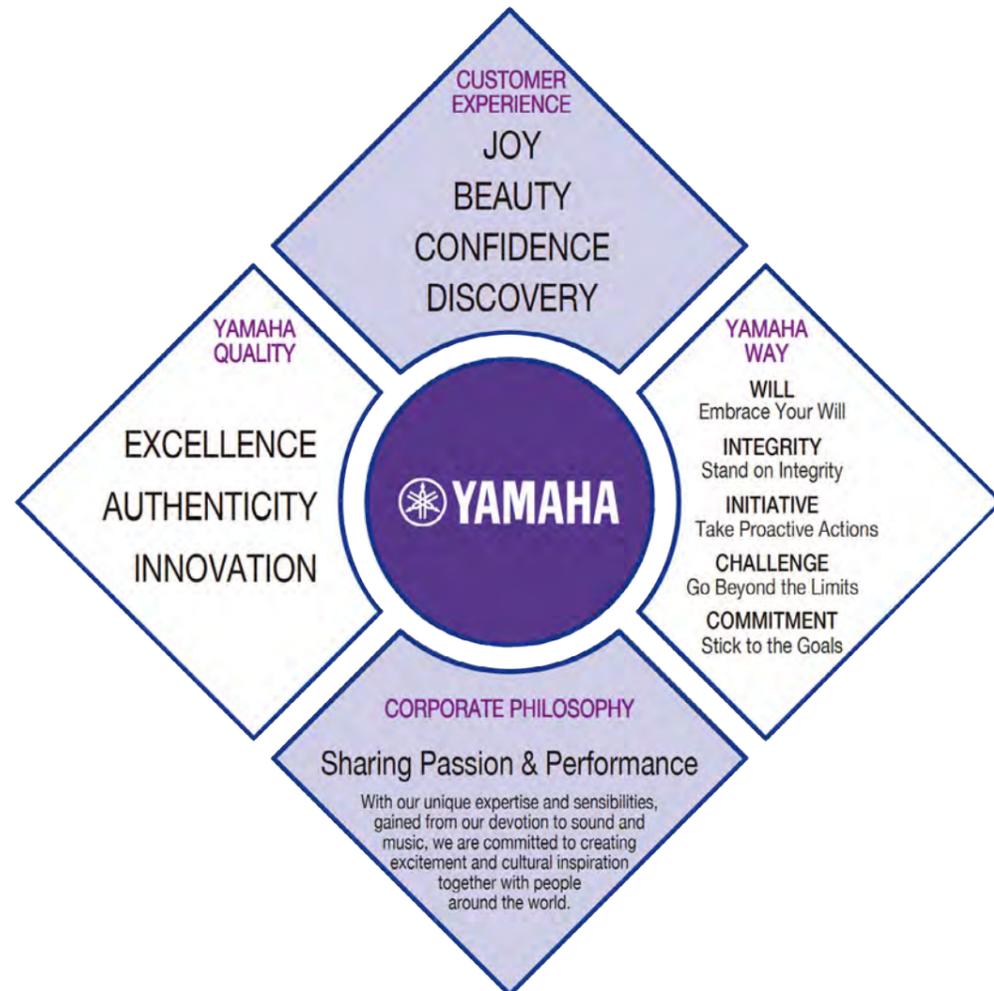
PURPOSE

Well-Being of People around the World

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.



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 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 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 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.

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.

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.

PUBLICATION OF ANNUAL REPORT 2024



Atsushi Yamaura
Director, President
and Representative
Executive Officer

Despite social and economic activities returning to normal following disruptions caused by the COVID-19 pandemic, the operating environment is growing increasingly more challenging due to factors such as rising geopolitical risks and high commodity prices seen around the world. Although this operating environment is difficult to navigate, the Yamaha Group will continue tackling new challenges as it seeks to grow and develop its business together with stakeholders.

Under the Make Waves 2.0 medium-term management plan, the Yamaha Group continues efforts to achieve its management vision of “Becoming an Indispensable, Brilliantly Individual Company” as it works to support the “Well-Being of People around the World.” In Annual Report 2024, we sought to communicate the approach we will take toward fulfilling our social responsibility and improving corporate value through our business activities.

This report was prepared while referencing the Integrated Reporting Framework of the IFRS Foundation and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation: ESG Integration, Non-Financial Information Disclosure, and Intangible Assets into Investment released by the Ministry of Economy, Trade and Industry of Japan. Summarizing the policies we adopt on a Groupwide basis, this report was created thanks to the cooperation of each division of the Company. As such, I believe the creation process and the content of this report to be appropriate.

Going forward, we will utilize our annual reports as engagement tools as we pursue constructive dialogue with shareholders, investors, and other stakeholders. It is our hope that these reports help our stakeholders feel confident about our efforts to realize a sustainable society and elicit their understanding of our long-term corporate value creation.

September 2024

Key Points of Annual Report 2024

Annual Report 2024 provides information on the progress of initiatives based on the Make Waves 2.0 medium-term management plan in its second year as well as initiative policies for the final year of the plan. It also offers information on concrete initiatives for creating social value while leveraging the accumulated strengths and technologies of the Yamaha Group in order to support the “Well-Being of People around the World.” We encourage readers to focus on the following key points to help deepen their understanding of the content of this report and of Yamaha’s initiatives.

POINT 1	POINT 2	POINT 3
Value Creation Story and Material Issues Pages 4–5 and 20–23	Progress in the Second Year of Make Waves 2.0 and Initiatives for Future Growth Pages 12–19 and 24–31	Enhancement of Sustainability Management Pages 36–51

Positioning of Annual Reports



CONTENTS

SECTION 01 Value Creation by Yamaha 04

POINT 1 Value Creation Story	04
Yamaha’s History	06
Yamaha’s Strengths	08
At a Glance	10

SECTION 02 Management Strategy 12

POINT 2 Message from the President	12
------------------------------------	----



POINT 1 Yamaha’s Material Issues	20
POINT 1 Mechanism for Creating Value	22
POINT 2 Make Waves 2.0 Medium-Term Management Plan	24
POINT 2 Special Feature: Initiatives under the Make Waves 2.0 Medium-Term Management Plan	28

Exploration as a Sound Expert of the Automotive Sound System Market, a New Growth Field



SECTION 03 Corporate Strategies 32

Financial Strategies and Enhancement of Management Foundations	32
POINT 3 Sustainability Management	36
Environment	39
Human Rights	46
POINT 3 Human Resources	48
Branding	52
Design	54
Intellectual Property	56
Digital Transformation	58

SECTION 04 Strategies by Business and Function 60

Strategies by Business	
Musical Instruments Business	60
Audio Equipment Business	64
Industrial Machinery and Components Business	66
Strategies by Function	
Research and Development	68
Production	70
Sales	72

SECTION 05 Governance 74

Directors	74
Composition of the Board of Directors	76
Executive Officers, Operating Officers, and Audit Officers	78
Discussion between Outside Directors	79
Corporate Governance	82
Risk Management	92
Compliance	93

SECTION 06 Financial and Corporate Information 94

11-Year Summary	94
Financial Review	96
ESG Data Summary	100
Main Networks	102
Company Information	104
Stock Information	105

Scope of This Report
Information in this report covers 69 companies (as of March 31, 2024): Yamaha Corporation, its 64 consolidated subsidiaries, and its 4 affiliates. In cases where it is necessary to specify the scope of reporting, this report lists the applicable institution individually.

Reporting Period
This report primarily covers fiscal 2024 (April 1, 2023 to March 31, 2024). However, certain sections of this report include information from April 1, 2024, and onward.

Disclaimer on Forward-Looking Statements
The forward-looking statements such as data and forecasts included in this report are based on assumptions and information available at the time of publication and are subject to change due to various factors. These statements are not guarantees that Yamaha will achieve its targets and forecasts or realize its anticipated future business results. In addition, the content of this report may be changed without prior notice. Accordingly, Yamaha cautions readers not to place undue reliance on these forward-looking statements, which are valid only as of the date thereof, and undertakes no obligation for any negative impact caused by the use of this report.

Names, including those of products and services, used in this report are trademarks or registered trademarks of Yamaha Corporation or of the respective rights holders.

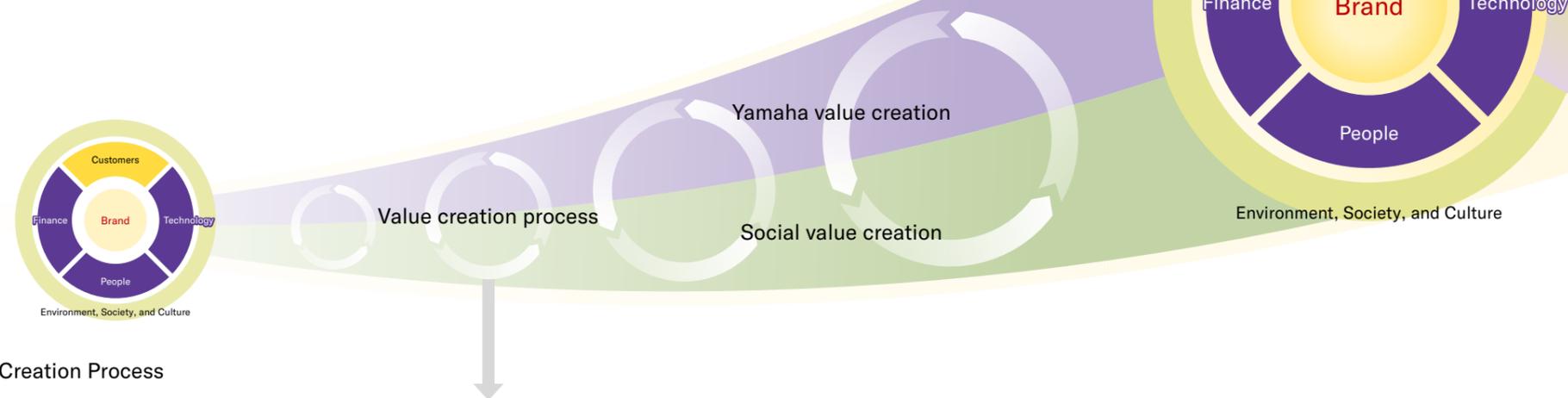
VALUE CREATION STORY

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

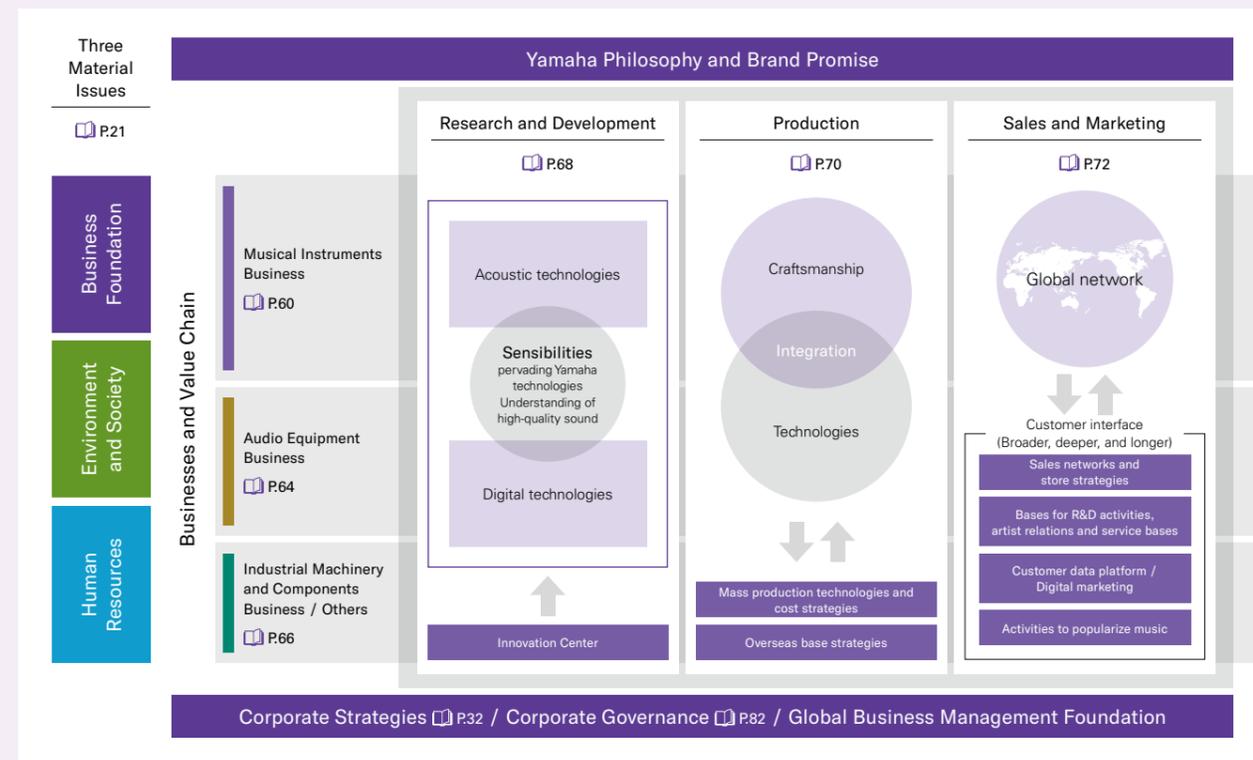
The Yamaha Group focuses on six types of capital. A central form of capital is our brand, and we also defined customers, technology, people, and finance as focus types of capital along with the three types of social capital—environment, society, and culture—in which these types of capital exist. By strengthening our capital, we aim to improve the corporate value of the Yamaha Group.

Based on the material issues, we are maximizing these forms of capital by creating Yamaha value and social value through our business, which is in turn anticipated to contribute to improvements to Yamaha's brand and corporate value. Through this cycle of value creation, we seek to realize Yamaha's management vision and accomplish its mission.

For more information on Yamaha's value creation story, please refer to the following website.
<https://www.yamaha.com/en/vision/valuecreation/>



Value Creation Process



Yamaha Value Creation	Social Value Creation
Achieving the management targets adopted under the Make Waves 2.0 medium-term management plan (2022/4-2025/3)	
Non-financial targets	
Nine targets related to policies of the medium-term management plan based on material issues (see page 25)	
Financial targets	
Revenue growth: 20%	Return on equity (ROE): 10% or more
Core operating profit ratio: 14%	Return on invested capital (ROIC): 10% or more
Note: Forecasts announced together with financial results for the three-month period ended June 30, 2024, on July 31, 2024, project revenue growth of 16%, a core operating profit ratio of 9.7%, ROE of 6.8%, and ROIC of 6.5% in fiscal 2025.	
Investment and shareholder returns	
Investment	Shareholder returns
Regular investments: ¥40 billion	Total return ratio: 50%
Strategic investments: ¥65 billion	(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 36-38 and 82-93)	

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

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

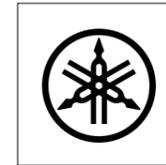
Corporate value improvement



Environment, Society, and Culture

YAMAHA'S HISTORY

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 to support the "Well-Being of People around the World." The principles and policies that have guided us on our journey have been codified into the Yamaha Philosophy and have become a strength as well as a treasured part of our corporate culture throughout our history spanning more than 135 years.



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.



1887-

1950-

1970-

2000-

2020-

Founding

Spread of music culture, development of new businesses, and advancement onto the global stage as a comprehensive musical instruments manufacturer

Evolution of technologies and creation of new value

Provision of distinctively Yamaha value with sound and music as core of business



Founder Torakusu Yamaha Upright piano launched in 1900

- 1887 Founding
- 1897 Establishment of Nippon Gakki Co., Ltd. (now Yamaha Corporation)
- 1900 Start of production of upright pianos



Music school Yamaha de Mexico, S.A. de C.V.

- 1954 Opening of a school that was the predecessor of Yamaha Music School
- 1954 Start of production of audio products
- 1955 Establishment of Yamaha Motor Co., Ltd. by splitting off motorcycle division
- 1958 Establishment of first overseas subsidiary Yamaha de Mexico, S.A. de C.V. in Mexico
- 1959 Start of production of electronic organs (Electone)
- 1962 Launch of resort business
- 1964 Opening of music schools in the United States
- 1966 Establishment of Yamaha Music Foundation Start of production of wind instruments

As Yamaha promoted the popularization of music, the technology and sensibilities cultivated through the manufacture of musical instruments were adapted to diversify our business through involvement in audio products, sports equipment, lifestyle items, the resort business, and other areas leading up to the 1960s. After Yamaha established its first overseas subsidiary in Mexico, the Company proceeded to expand its sales and production networks across the globe to grow as a comprehensive musical instruments manufacturer.



SILENT series products

- 1972 Start of production of semiconductors
- 1977 Start of musical instrument production in Indonesia
- 1982 Launch of Piano Player automatic performance piano
- 1983 Launch of DX7 digital synthesizer and Clavinova digital piano
- 1984 Entry into industrial robot (factory automation) market
- 1987 Change of corporate name to Yamaha Corporation to commemorate 100th anniversary of founding
- 1989 Start of musical instrument production in China
- 1993 Launch of SILENT series
- 1995 Launch of remote router

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 SILENT Pianos. 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.



Venova School Project activities

- 2003 Development of VOCALOID music synthesis technologies
- 2005 Acquisition of Steinberg Media Technologies GmbH of Germany
- 2008 Acquisition of L. Bösendorfer Klavierfabrik GmbH of Austria Acquisition of NEXO S.A. of France
- 2010 Integration of domestic piano factories into Kakegawa Factory
- 2012 Integration of domestic wind instrument factories into Toyooka Factory
- 2014 Acquisition of Line 6, Inc., of the United States Acquisition of Revolabs, Inc., of the United States
- 2015 Commencement of School Project
- 2017 Launch of Venova series of casual wind instruments
- 2018 Opening of Innovation Center

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.



Digital saxophone SYNCROOM

- 2020 Launch of Yamaha brand automotive sound systems Commencement of verification tests for Remote Cheerer powered by SoundUD remote cheering system Release of SYNCROOM online remote ensemble performance service Launch of digital saxophones
- 2023 Acquisition of Cordoba Music Group, LLC, of the United States
- 2024 Completion of YOKOHAMA SYMPHOSTAGE® and Shibuya Sakura Stage as new brand communication and value creation bases in the Tokyo metropolitan area

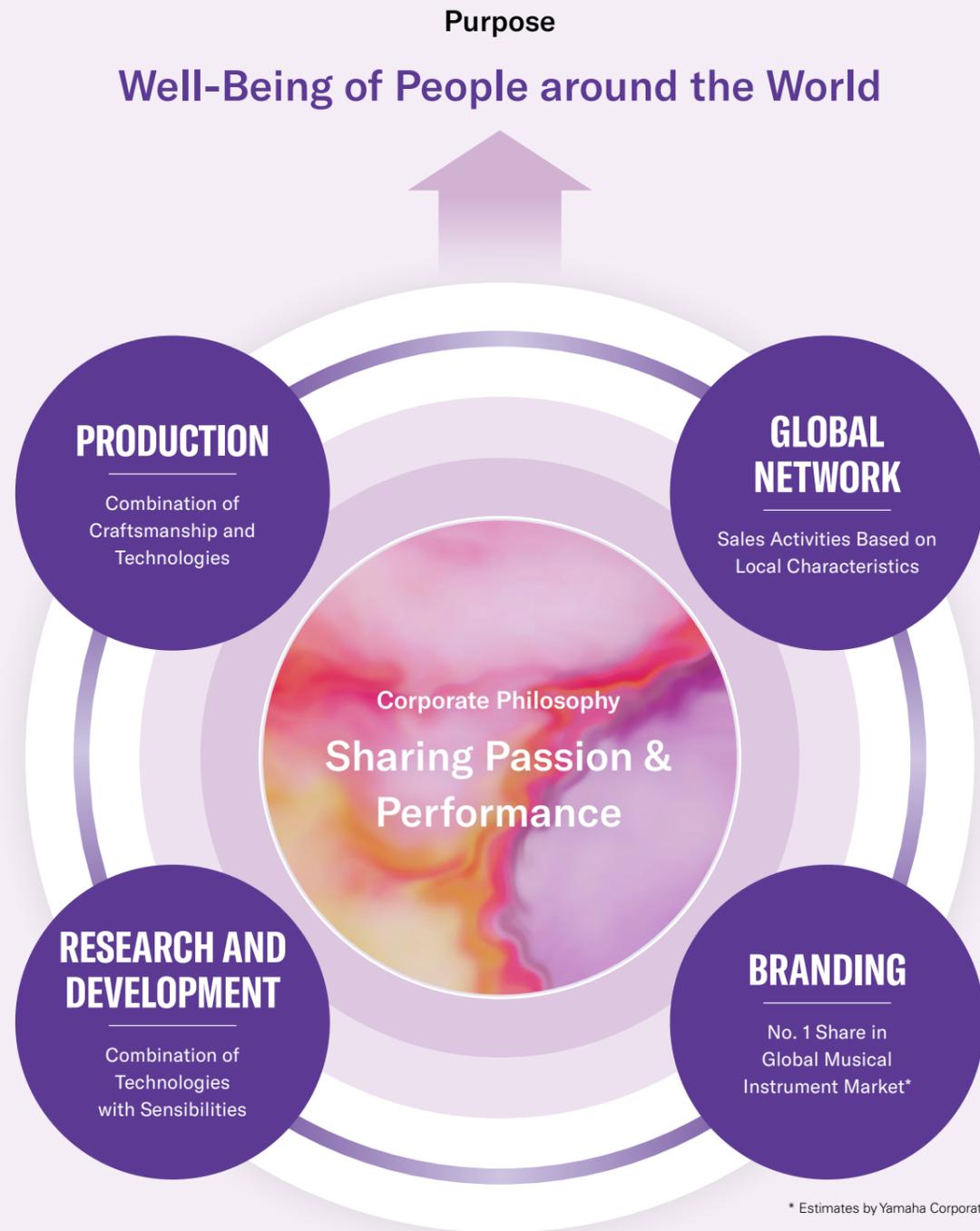
The unique strengths Yamaha has fostered throughout its history are being used to propose new AI-powered value and new solutions to contribute to the resolution of social issues and the improvement of corporate value.

Well-Being of People around the World

Purpose

YAMAHA'S STRENGTHS

Yamaha has continued to foster distinctive strengths throughout its history spanning more than 135 years. Our RESEARCH AND DEVELOPMENT, PRODUCTION, and GLOBAL NETWORK as well as our BRANDING are all strengths that our competitors cannot imitate and also important sources of Yamaha's unique competitive edge. Our ability to combine these strengths is both a major point of differentiation and a driver of our growth. With its foundation formed by these strengths, Yamaha aspires to support the "Well-Being of People around the World" and to achieve ongoing growth while improving corporate value.



* Estimates by Yamaha Corporation



Combination of Craftsmanship and Technologies

Throughout our long history of producing musical instruments, we have refined the craftsmanship capabilities that have helped us create even better musical instruments using the eyes and hands of our professionals. Our craftsmanship enables us to deliver a beauty and richness that can only be produced by human hands. Meanwhile, through scientific research of each production process and the utilization of cutting-edge techniques, we have built a foundation comprised of industry-leading manufacturing technologies. The fact that we are able to maintain and integrate our refined craftsmanship capabilities and advanced technologies at a high level is a major strength of our approach to production.



Combination of Technologies with Sensibilities

As we develop our musical instruments and audio equipment businesses, we have continued to pass our deep understanding of and vast insight related to sensibilities for determining a good sound and a good sound environment down through the generations. This insight and understanding serve as our unique strengths and enable us to differentiate our products and services from our competitors. We are evolving our sensibility evaluation technologies as a means to effectively utilize our insight and understanding. Leveraging these technologies, we are striving to meld our various other technologies, such as our acoustic, digital, and electronic technologies, which in turn will enable us to offer unique products and services that cannot be imitated by competitors.



Sales Activities Based on Local Characteristics

Yamaha has established sales offices in over 30 countries and regions around the world and has thereby built a global network centered on sales subsidiaries.

Through our diverse sales networks (comprised of directly operated stores, specialty stores, mass retailers, e-commerce sites, and other outlets) and our artist relations and service bases, we are able to ascertain local music cultures and customer needs and advance sales strategies in accordance with local characteristics. Another characteristic of Yamaha is how it is popularizing music through the expansion of its network of music schools in addition to selling products.



No. 1 Share in Global Musical Instrument Market*

In its mainstay musical instruments business, Yamaha holds the No. 1 share of the global musical instrument market.* We have a particularly strong lead in the market for digital musical instruments such as digital pianos and portable keyboards, with a share of around 50% of the global market for these instruments. Meanwhile, we are able to utilize the insight and brand recognition fostered in the musical instruments business to establish a strong presence in our audio equipment business and to develop our industrial machinery and components and other businesses. This strong market share and the brand value that enables us to guide entire markets are a core source of competitiveness for Yamaha born out of the strengths that are its R&D, production, and sales capabilities.

* Estimates by Yamaha Corporation

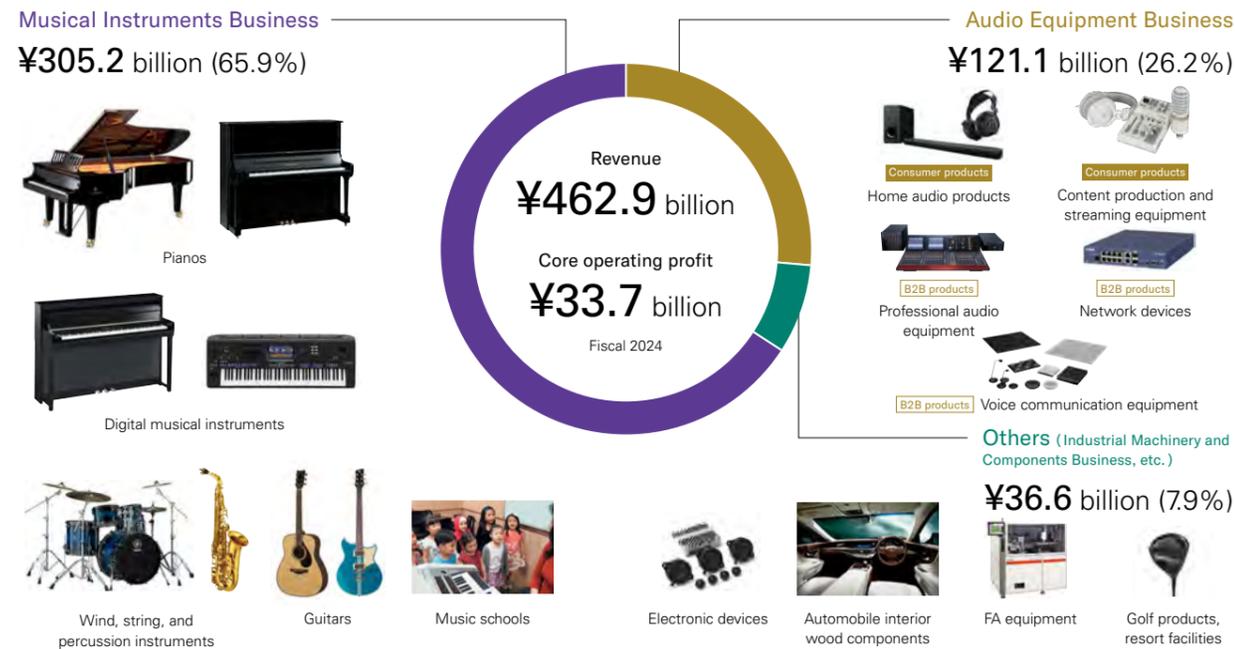


AT A GLANCE

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 equipment, and home audio products and network equipment, to the industrial machinery and components business focused on semiconductors.

Groupwide Consolidated Revenue and Core Operating Profit



Business Segments

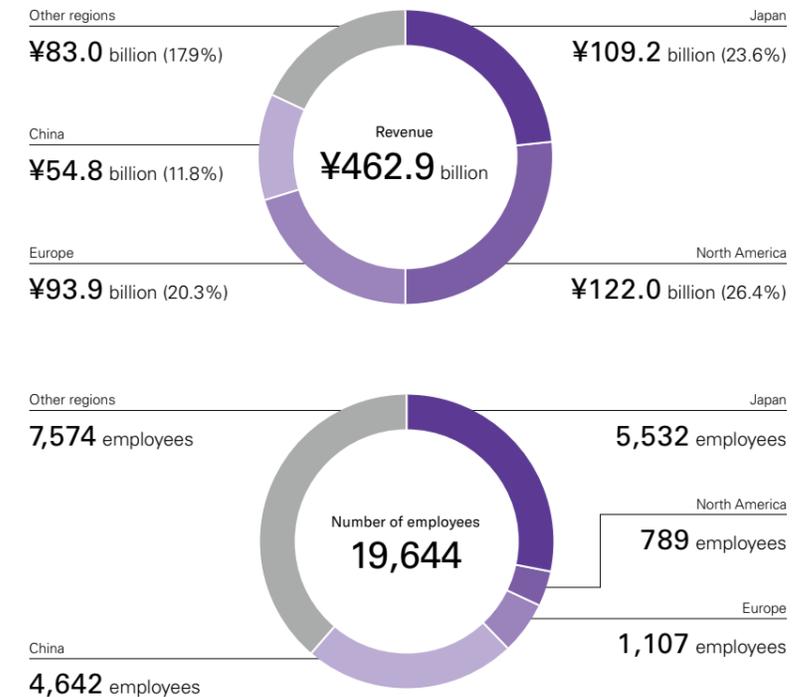
Musical Instruments Business	Audio Equipment Business	Others (Industrial Machinery and Components Business, etc.)
The musical instruments business includes a diverse spectrum of operations ranging from the manufacture and sale of mainstay musical instruments to the operation of music schools and the production and distribution of music and video content.	In the audio equipment business, we sell an extensive lineup of products, including both consumer and commercial equipment.	Other businesses include automotive sound systems, interior design panels, and FA equipment.

For more information, please refer to Strategies by Business on pages 60–67.

Global Market Shares of Major Products (Fiscal 2024, monetary value basis, estimates by Yamaha Corporation)



Revenue Composition and Number of Employees by Region



Major Production Bases (Musical Instruments and Audio Equipment)

