

## Third Quarter of FY2019.3 Performance Outline

YAMAHA CORPORATION

February 5, 2019

(Billions of yen)

	Three Months Results Ended Dec. 31, 2017	Three Months Results Ended Dec. 31, 2018	Nine Months Results Ended Dec. 31, 2017	Nine Months Results Ended Dec. 31, 2018	Results (Previous Year)	Projections (Full Year)	Previous Projections (Full Year) (Announced on Nov. 1, 2018)
	FY2018.3	FY2019.3	FY2018.3	FY2019.3	FY2018.3	FY2019.3	FY2019.3
Net Sales	118.9	119.3	328.7	333.9	433.0	440.0	442.0
Sales in Japan	32.1 (27.0%)	30.5 (25.6%)	98.8 (30.1%)	94.5 (28.3%)	133.7 (30.9%)	130.0 (29.5%)	135.2 (30.6%)
Overseas Sales	86.8 (73.0%)	88.8 (74.4%)	229.9 (69.9%)	239.4 (71.7%)	299.2 (69.1%)	310.0 (70.5%)	306.8 (69.4%)
Operating Income	17.5 (14.8%)	19.6 (16.4%)	41.5 (12.6%)	48.1 (14.4%)	48.8 (11.3%)	55.0 (12.5%)	55.0 (12.4%)
Ordinary Income	16.9 (14.2%)	19.1 (16.0%)	41.6 (12.7%)	48.9 (14.6%)	49.2 (11.4%)	55.0 (12.5%)	55.0 (12.4%)
Net Income <sup>(1)</sup>	29.9 (25.2%)	14.8 (12.4%)	49.6 (15.1%)	36.7 (11.0%)	54.4 (12.6%)	40.0 (9.1%)	40.0 (9.0%)
Currency Exchange Rate <sup>(2)</sup> (Settlement Rate) (=yen)	113/US\$ 130/EUR	113/US\$ 132/EUR	112/US\$ 124/EUR	111/US\$ 132/EUR	111/US\$ 126/EUR	111/US\$ <sup>(6)</sup> 131/EUR	107/US\$ 129/EUR
ROE <sup>(3)</sup>	28.9%	15.0%	16.8%	12.7%	14.5%	10.3%	10.0%
ROA <sup>(4)</sup>	20.1%	10.9%	11.8%	9.1%	10.2%	7.4%	7.1%
Earnings per Share	159.9yen	81.6yen	264.6yen	202.0yen	291.8yen	220.0yen	220.0yen
Capital Expenditures	4.1	2.5	15.2	10.5	24.6	17.7	25.4
(Depreciation Expenses)	(2.8)	(2.7)	(8.1)	(8.2)	(10.8)	(11.0)	(11.6)
R&D Expenses	6.2	6.4	18.3	18.6	24.8	25.7	25.7
<b>Cash Flows</b>							
Operating Activities	13.4	3.1	23.0	7.5	47.5	28.0	35.0
Investing Activities	24.1	-4.7	12.4	-18.1	4.8	-25.0	-25.0
Free Cash Flow	37.5	-1.6	35.4	-10.6	52.3	3.0	10.0
Inventories at End of Period	-	-	99.6	102.6	94.1	99.3	91.0
<b>Number of Employees</b>							
Japan	-	-	5,903	5,793	5,845	5,700	5,900
Overseas	-	-	14,423	14,599	14,383	14,900	15,400
Total <sup>(5)</sup>	-	-	20,326	20,392	20,228	20,600	21,300
(Changes from the changes in the scope of consolidation)	-	-	-	-	-	-	-
Temporary Staff (average during the period)	-	-	7,700	7,960	7,558	7,500	7,700
<b>Sales by Business Segment</b>							
Musical Instruments	74.6 (62.7%)	76.0 (63.7%)	208.8 (63.5%)	215.0 (64.4%)	274.5 (63.4%)	282.5 (64.2%)	279.5 (63.2%)
Audio Equipment	34.7 (29.2%)	34.5 (28.9%)	92.3 (28.1%)	91.0 (27.2%)	121.8 (28.1%)	123.5 (28.1%)	123.5 (28.0%)
Others	9.6 (8.1%)	8.8 (7.4%)	27.7 (8.4%)	27.9 (8.4%)	36.7 (8.5%)	34.0 (7.7%)	39.0 (8.8%)
<b>Operating Income by Business Segment</b>							
Musical Instruments	11.5	14.2	28.1	35.8	34.6	41.5	40.5
Audio Equipment	4.9	4.6	10.1	9.2	10.7	11.0	11.0
Others	1.2	0.8	3.3	3.1	3.5	2.5	3.5

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

\* 2, 6 Currency exchange rate is the export and import transaction rate applied to profit calculation. 4Q Currency Exchange Rates US\$=110JPY EUR=125JPY

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

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

Consolidated financial forecasts were prepared based on information available at the time of the announcement and do not represent promises by the Company or its management that these performance figures will be attained.

Actual consolidated results may differ from forecasts owing to a wide range of factors.