

FY2019.3 Performance Outline

YAMAHA CORPORATION

May 9, 2019

(Billions of yen)

	Results <Japanese GAAP> (Previous Year)	Projections <Japanese GAAP> (Full Year) (Announced on Feb. 5, 2019)	Results <Japanese GAAP>		Results <IFRS>	Projections <IFRS> (Full Year)
	FY2018.3	FY2019.3	FY2019.3		FY2019.3	FY2020.3
Net Sales	433.0	440.0	437.4	Revenue	434.4	444.0
Sales in Japan	133.7 (30.9%)	130.0 (29.5%)	129.7 (29.6%)	Japan	129.7 (29.9%)	129.0 (29.1%)
Overseas Sales	299.2 (69.1%)	310.0 (70.5%)	307.7 (70.4%)	Overseas	304.7 (70.1%)	315.0 (70.9%)
Operating Income	48.8 (11.3%)	55.0 (12.5%)	56.0 (12.8%)	Core Operating Profit ^(*)	53.0 (12.2%)	55.0 (12.4%)
-	-	-	-	Operating Profit	53.1	55.0 (12.4%)
Ordinary Income	49.2 (11.4%)	55.0 (12.5%)	58.4 (13.4%)	-	-	-
Income before Income Taxes	74.5 (17.2%)	-	60.5 (13.8%)	Profit before Income Taxes	56.8 (13.1%)	58.0 (13.1%)
Net Income ^(**)	54.4 (12.6%)	40.0 (9.1%)	43.8 (10.0%)	Net Profit ^(**)	40.2 (9.3%)	42.5 (9.6%)
Currency Exchange Rate (Settlement Rate) (=yen)	111/US\$ 126/EUR	111/US\$ 131/EUR	111/US\$ 131/EUR	Currency Exchange Rate (Settlement Rate) (=yen)	111/US\$ 131/EUR	110/US\$ 125/EUR
ROE	14.5%	10.3%	11.4%	ROE	11.1%	11.3%
ROA	10.2%	7.4%	8.2%	ROA	7.5%	8.0%
Earnings per Share	291.8yen	220.0yen	240.9yen	Earnings per Share	221.4yen	238.3yen
Capital Expenditure	24.6	17.7	16.0	Capital Expenditure	16.0	22.0
(Depreciation Expenses)	(10.8)	(11.0)	(10.8)	(Depreciation Expenses)	(10.8)	(12.7)
R&D Expenses	24.8	25.7	24.9	R&D Expenses	24.9	26.5
Cash Flows				Cash Flows		
Operating Activities	47.5	28.0	30.2	Operating Activities	35.8	62.0
Investing Activities	4.8	-25.0	-23.1	Investing Activities	-23.1	-22.0
Free Cash Flow	52.3	3.0	7.1	Free Cash Flow	12.7	40.0
Inventories at End of Period	94.1	99.3	100.3	Inventories at End of Period	100.3	100.7
Number of Employees				Number of Employees		
Japan	5,845	5,700	5,736	Japan	5,736	5,700
Overseas	14,383	14,900	14,639	Overseas	14,639	15,400
Total ^(***)	20,228	20,600	20,375	Total ^(***)	20,375	21,100
<small>(Changes from the changes in the scope of consolidation)</small>	-	-	-	<small>(Changes from the changes in the scope of consolidation)</small>	-	-
Temporary Staff (Average during the period)	7,558	7,500	7,733	Temporary Staff (Average during the period)	7,333	7,800
Sales by Business Segment				Revenue by Business Segment		
Musical Instruments	274.5 (63.4%)	282.5 (64.2%)	282.0 (64.5%)	Musical Instruments	279.9 (64.4%)	285.5 (64.3%)
Audio Equipment	121.8 (28.1%)	123.5 (28.1%)	120.7 (27.6%)	Audio Equipment	119.8 (27.6%)	123.5 (27.8%)
Others	36.7 (8.5%)	34.0 (7.7%)	34.7 (7.9%)	Others	34.7 (8.0%)	35.0 (7.9%)
Operating Income by Business Segment				Core Operating Profit ^(*) by Business Segment		
Musical Instruments	34.6	41.5	42.9	Musical Instruments	40.8	43.0
Audio Equipment	10.7	11.0	10.6	Audio Equipment	9.7	11.0
Others	3.5	2.5	2.5	Others	2.5	1.0

The Yamaha Group will voluntarily adopt the International Financial Reporting Standards (IFRS), beginning from the fiscal year ending March 2020 (FY2020.3).

Results under IFRS standards for FY2019.3 are tentative figures for the purpose of comparison with the projections for FY2020.3 and are used for convenience and reference only.

*1 Core operating profit is corresponding to operating income under the Japanese GAAP, and is calculated deducting SG&A from gross profit.

*2 Net income is presented as net profit attributable to owners of parent on the consolidated financial statements under Japanese GAAP, and net profit is profit attributable to owners of the parent under IFRS standards.

*3 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.