



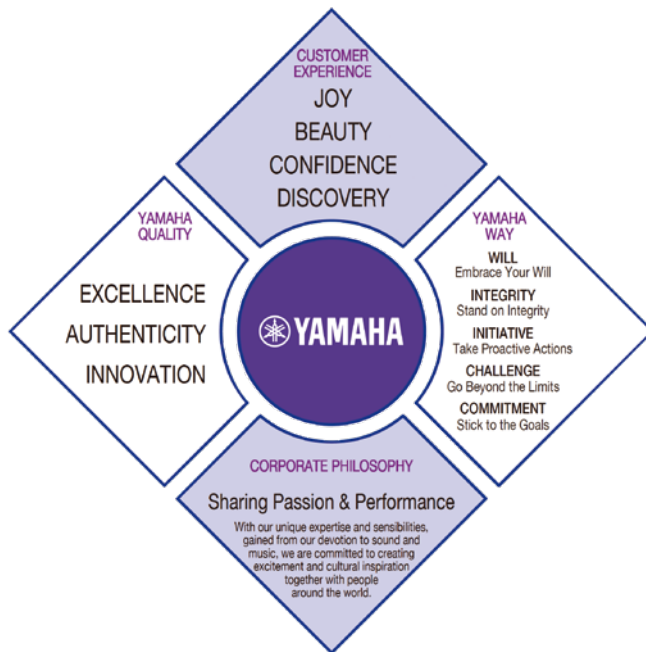
Annual Report 2025



PURPOSE

Well-Being of People around the World

YAMAHA PHILOSOPHY



PROMISES TO STAKEHOLDERS



Customer-Oriented and
Quality-Conscious Management
(For Customers)



Management that Values People
(For People Who
Work with Yamaha)



Management Based on
Mutual Understanding and Trust
(For Business Partners)



Management that Contributes to Social
and Cultural Development
(For the Regional Communities and Society)



Management that Considers the
Global Environment
(For Earth)



Transparent and Sound Management
(For Shareholders)



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.

Key Points of Annual Report 2025

Annual Report 2025 provides information on how the Yamaha Group will support the “Well-Being of People around the World.” Specifically, the report illustrates examples of the concrete business activities that will be used to create social value and thereby improve corporate value.

The following points have been emphasized in this report to foster understanding among stakeholders of the strategies of the new Rebuild & Evolve medium-term management plan launched in April 2025 and the Yamaha Group’s medium- to long-term value creation story.

POINT 1

P.7 Value Creation Story

We have provided a look at the Yamaha Group’s value creation story for strengthening its six types of capital—brand, customers, technology, people, finance, and social capital (comprising environment, society, and culture)—to improve corporate value, realize its management vision, and fulfill its mission.

POINT 2

P.18–23 and P.30–41 Strategies of the New Rebuild & Evolve Medium-Term Management Plan

We offer explanations of the new Rebuild & Evolve medium-term management plan and the Yamaha Group’s medium- to long-term vision.

These explanations are backed by concrete examples of the initiatives being advanced as part of business strategies in accordance with the plan’s policies of rebuilding a strong business foundation and evolving to create the future.

POINT 3

P.43–61 Enhancement of Intangible Assets and Sustainability Management

We highlight how Yamaha will use intangible assets, such as the people, intellectual properties, brand, and designs that are indispensable to its medium- to long-term growth, to improve corporate value while also providing a look at initiatives that set sustainability as a source of value that underpins its management and operating foundations.

Positioning of Annual Reports



Financial Information

Information for Investors

- Financial Results
- Securities Reports
- Corporate Governance Reports

Annual Report



Non-Financial Information

Sustainability Information

- Sustainability Reports
- ESG Data



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Scope of This Report

Information in this report covers 66 companies (as of March 31, 2025): Yamaha Corporation, its 61 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 2025 (April 1, 2024 to March 31, 2025). However, certain sections of this report include information from April 1, 2025, 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.

SECTION 1

VALUE CREATION

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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 treasured part of our corporate culture throughout our history spanning more than 135 years.

1887-

Early years of building musical instrument foundations starting with domestic piano production

The birth of the Yamaha Group can be traced to the repair of a single broken organ by founder Torakusu Yamaha. This experience led Yamaha, whose name would eventually be used to designate our brand, to success in creating domestically produced organs in Japan.



Upright piano launched in 1900

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

1950-

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

As Yamaha continued to produce digital organs (Electone), wind instruments, and other musical instruments, the technologies and sensibilities cultivated through these activities were adapted to diversify our business through involvement in audio products, sports equipment, lifestyle items, the resort business, and other areas. Yamaha would then go on to establish sales and production bases in countries around the world as it grew as a comprehensive musical instruments manufacturer.



Music school

- 1954 Opening of a school that was the predecessor of Yamaha Music School
- 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
- 1964 Opening of music schools in the United States

1970-

Evolution of technologies and creation of new value

By merging its acoustic technologies with digital technologies, Yamaha proceeded to create a number of unique and 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 series products. 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.



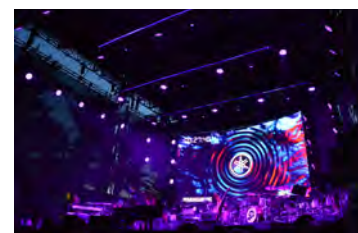
SILENT series products

- 1972 Start of production of semiconductors
- 1977 Start of musical instrument production in Indonesia
- 1984 Entry into industrial robot (FA) market
- 1987 Change of corporate name to Yamaha Corporation to commemorate 100th anniversary of founding
- 1989 Start of musical instrument production in China

2000-

Reorganization to position sound and music as core of business

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.



Establishment of Make Waves brand promise

- 2010 Integration of domestic piano factories into Kakegawa Factory
- 2012 Integration of domestic wind instrument factories into Toyooka Factory
- 2015 Commencement of School Project
- 2018 Opening of Innovation Center, R&D base, and Innovation Road corporate museum
- 2019 Establishment of Make Waves brand promise

2020-

Proposal of distinctively Yamaha value and solutions

Yamaha has continued to strengthen its connections with customers around the world. Steps taken in this undertaking have included establishing brand communication bases in the Tokyo metropolitan area and enhancing experience-based services using the Yamaha Music ID customer data platform. We have continued to propose new AI-powered value and new solutions to contribute to the resolution of social issues and the improvement of corporate value.



Yamaha Music Yokohama Minatomirai

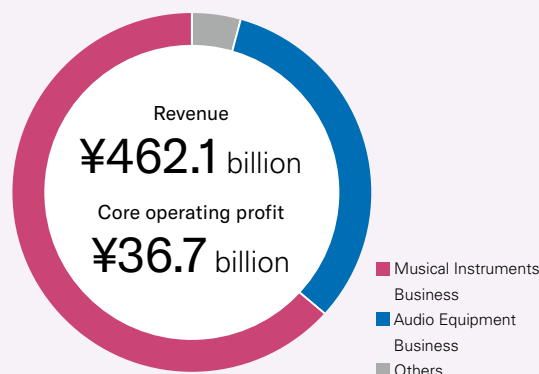
- 2020 Launch of Yamaha brand automotive sound systems
- 2024 Opening of Yamaha Music Yokohama Minatomirai experience-oriented brand shop
Opening of Yamaha Sound Crossing Shibuya brand communication base and R&D satellite office
- 2025 Establishment of corporate venture capital firm in Silicon Valley

AT A GLANCE

Fiscal 2025

The Yamaha Group 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, home audio products, and audio equipment for mobility use, to network equipment, FA equipment, and automobile interior wood components.

Groupwide Consolidated Revenue and Core Operating Profit



Musical Instruments Business

¥296.1 billion (64.1%)

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.



Audio Equipment Business*

¥147.8 billion (32.0%)

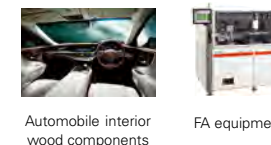
In the audio equipment business, we sell an extensive lineup of products, including consumer, commercial, and mobility audio equipment.



Others*

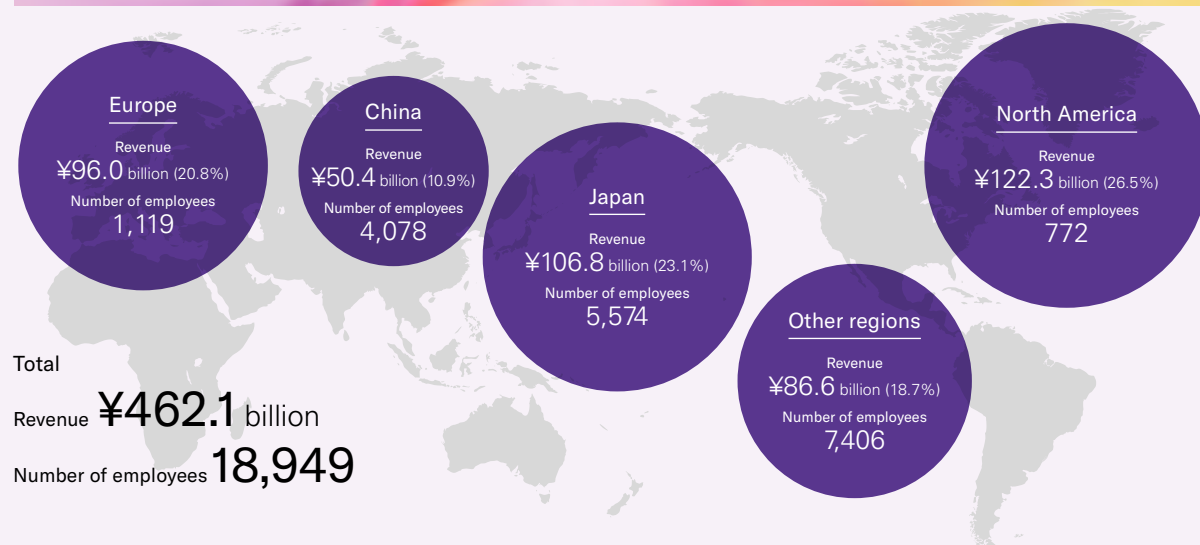
¥18.2 billion (3.9%)

Other businesses include automobile interior wood components and FA equipment.



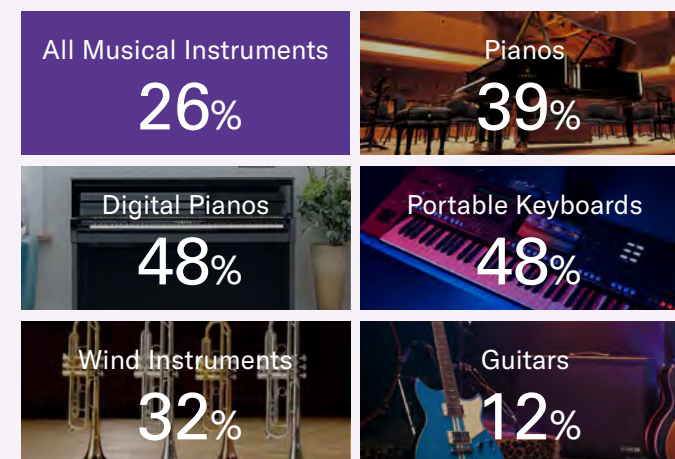
* Effective April 1, 2025, the electronic devices business was renamed the audio equipment for mobility use business and transferred from the others segment to the audio equipment segment. Figures for past fiscal years have been restated to reflect this change.

Revenue Composition and Number of Employees by Region



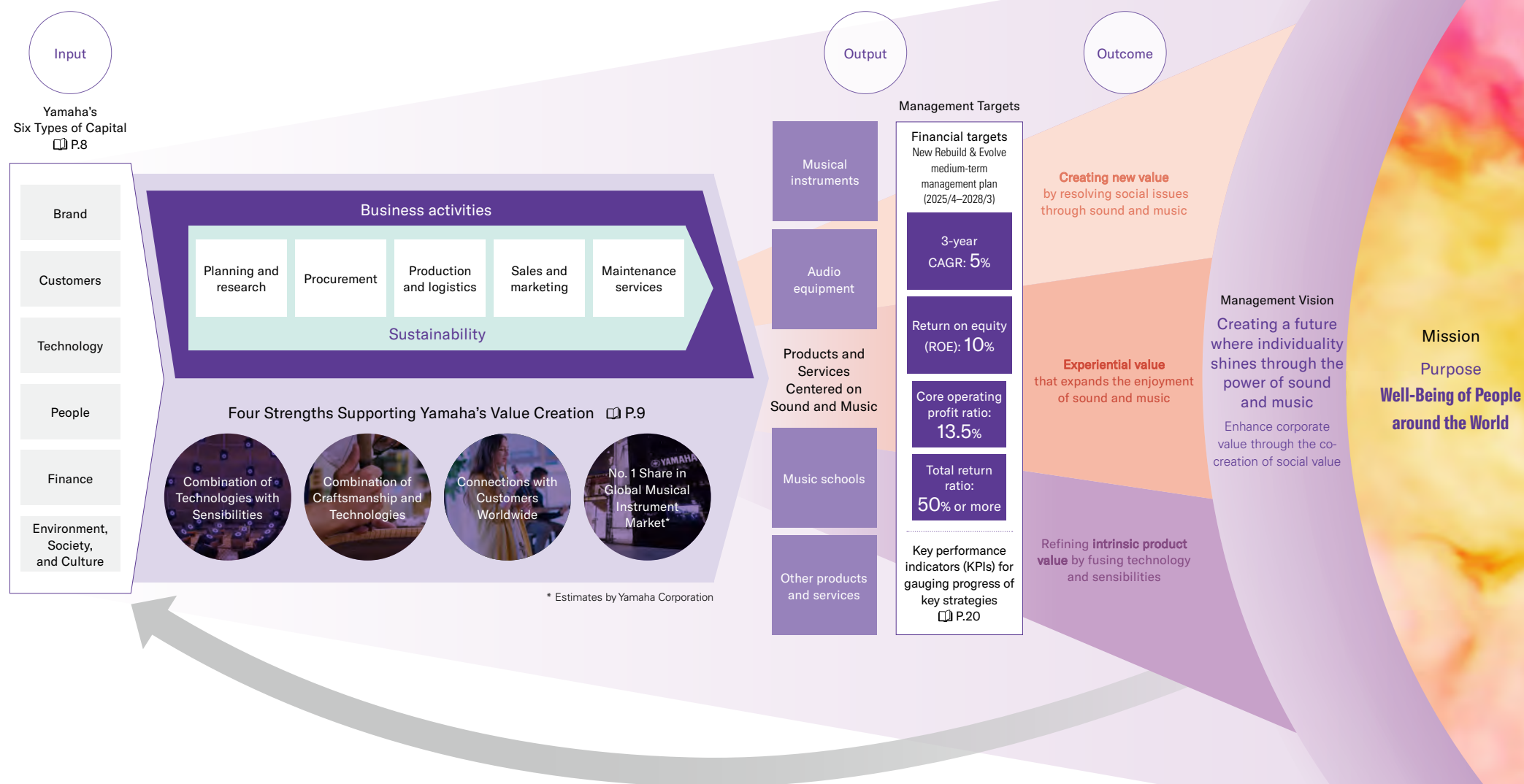
Global Market Shares of Major Products

(Fiscal 2025, monetary value basis, estimates by Yamaha Corporation)



VALUE CREATION STORY

The Yamaha Group focuses on its six unique types of capital—brand, customers, technology, people, finance, and social capital (comprising environment, society, and culture). By strengthening our capital, we aim to improve the corporate value of the Group. Furthermore, we are utilizing the four distinctive strengths that have been honed by the Yamaha Group in order to maximize these forms of capital by creating value through our business activities, based on defined material issues. This undertaking is anticipated to contribute to improvements in Yamaha's brand and corporate value. Through this cycle of value creation, we seek to realize Yamaha's management vision and accomplish our mission.



YAMAHA'S CAPITAL

Since its inception, the Yamaha Group has continued to enhance its six types of capital while developing its business centered on sound and music. Going forward, we will maintain our focus on the enhancement of our capital and improvement of corporate value based on our material issues and strategies.

Yamaha's Six Types of Capital (As of March 31, 2025)		Relevant Material Issues  P.17		Medium-Term Management Plan	Enhancement of Capital	Improvement of Corporate Value
Brand Long-standing brand recognition and loyalty	- No.1 share in global musical instrument market*1 - Rank of 27*2 in Best Japan Brands 2025 ranking announced by Interbrand Japan *1 Estimates by Yamaha Corporation *2 Figure represents the total value of the Yamaha brand developed by Yamaha Corporation and Yamaha Motor Co., Ltd. Challenges: Diminished brand power due to intensified competition	Business Foundation	Customers - Connect with customers - Provide new experiential value by incorporating products and services	Strategic Policy 1 Rebuilding a strong business foundation  P.21	- Transformation of business structure in response to operating environment changes - Promotion of sales of high-value-added products	- Growth of revenue - Improvement of core operating profit ratio
			Technology - Create new value through the fusion of cutting-edge technology and sensibility - Encourage open innovation			
			Manufacturing - Craftsmanship and technology - Strengthen resilience	Strategic Policy 2 Evolving to create the future  P.22	- Creation of new value and development of new businesses - Expansion of business domain and customer base	Growth of revenue
Customers Unique sales networks and connections with customers worldwide	- Capacity to supply products to more than 160 countries and regions - Total of 8 million registered Yamaha Music ID accounts Challenges: Dissipation of connections with customers due to diversifying needs		Quality High quality that leads to absolute customer trust			
Technology Diverse portfolio of unique technologies arising from sound and music business	- Deep understanding of and vast insight related to sensibilities for determining a good sound and a good sound environment - Intellectual property portfolio consisting of 4,647 patents, 1,639 design rights, and 10,779 trademarks*3 *3 Global total Challenges: Transmission of craftsman skills and utilization of external capital	Management Foundation	Human Resources - Foster a creative and ambitious organizational culture - Respect for human rights and DE&I	Strategic Policy 3 Strengthening the management foundation  P.23	- Enhancement of management emphasizing balance sheet through business-specific return on invested capital tree analysis and related measures - Refinement of portfolio management approach - Adjustment of human resource portfolio to align with management strategies	Improvement of capital and asset efficiency
			Digital Transformation Create new value and transform business processes in various fields			
People Diverse people supporting value creation	- Global employee base consisting of 18,949 individuals - Employees highly knowledgeable about sound and music Challenges: Recruitment of people with skills necessary for advancing growth strategies		Governance Evolution of Group governance			
Finance Robust and healthy financial base	- Credit ratings of A+ from Rating and Investment Information, Inc. and AA- from Japan Credit Rating Agency, Ltd. - Equity ratio attributable to owners of parent of 75.9% Challenges: Aggressive strategic investment for improving corporate value	Environment, Society and Culture	Environment - Response to climate change - Resource savings, reduction of waste and hazardous substances - Sustainable use of timber	Setting sustainability as a source of value  P.43-51	- Improvement of ratio of sustainably sourced timber and cultivation and preservation of scarce timber resources - Promotion of activities for supporting music culture	Contribution to resolution of social issues while maintaining business continuity
			Society - Respect for human rights in the value chain - Contribution to an equal society and comfortable lives			
Environment, Society and Culture Healthy natural environment and society and music cultures around the world	- Ratio of sustainably sourced timber of 69% - Aggregate total of 4.25 million students in 10 countries provided music education opportunities through the School Project Challenges: Rising expectations and demands for creating social value		Culture Spread and development of music culture			

YAMAHA'S STRENGTHS SUPPORTING VALUE CREATION

Yamaha has continued to foster four distinctive strengths throughout its history spanning more than 135 years. Each of these strengths is an important source of Yamaha's unique competitive edge that its competitors cannot imitate. 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 achieve ongoing growth while improving corporate value.

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 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 automobile interior wood 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.

* Estimates by Yamaha Corporation

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.



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. 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.

Connections with Customers Worldwide

Yamaha has established sales offices in over 30 countries and regions to create a directly operated sales network tailored to the characteristics of each market. The functions of these sales offices are not limited to product sales, as they also act as artist relations and service bases. Moreover, this network enables us to advance activities for popularizing music through the development of music schools, the School Project, and other means. In this manner, Yamaha is unique in how it has formed connections with a wide range of customers worldwide.

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MANAGEMENT STRATEGY

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MESSAGE FROM THE PRESIDENT

Yamaha is committed to returning
to a growth track
by exploring new fields and
evolving its business structure.

Atsushi Yamaura

Director, President and Representative Executive Officer

Dedicated Management for Winning Out Against Competition

Since assuming the position of president of Yamaha, I have had the opportunity to speak with the leaders of various companies from different industries. These conversations have given me a sense of urgency with regard to the future based on the understanding that management will be a race against time going forward. The managers of companies in automotive, IT, infrastructure, and various other industries have been drawing upon the depths of their knowledge to develop businesses that surpass customer expectations while working to respond to rapid operating environment changes and technological progress. Their diligence truly resonates with me and also inspires me.



Viewing Yamaha with eyes opened by the stories of challenges faced by others has made me realize the multitude of issues that we must address. We have to deliver value that exceeds customer expectations. We must explore new business fields in response to technological advances and changes in customer tastes. It is essential that we develop frameworks for ensuring business continuity in the face of emerging geopolitical and other management risks. Finally, we must achieve management efficiency and growth that surpass the demands of investors. Recognizing these challenges, I am committed to pursuing a speed that can win the race against time in all aspects of management based on the understanding that there is no future for Yamaha if we cannot live up to the expectations of our stakeholders. It is this commitment that shaped Rebuild & Evolve, the new medium-term management plan that charts the course Yamaha will take over the medium to long term.

Inability to Overcome Challenges Made Clear by Operating Environment Changes Under Make Waves 2.0

Before getting into the goals of the new medium-term management plan, I would like to talk about the results of, the issues made clear by, and the priority measures advanced under Make Waves 2.0, the previous medium-term management plan.

Compared to fiscal 2022, the fiscal year immediately preceding the start of Make Waves 2.0, performance in fiscal 2025 was down with regard to the core operating profit ratio, return on equity, and return on invested capital, all indicators for which financial targets were set in this plan. For this unfortunate outcome, we have to blame our inability to overcome the challenges presented by the rapid market changes, attributable largely to two factors: the change in government education policies in China and the decline in demand following the dissipation of the special demand trend associated with people staying at home during the COVID-19 pandemic. In China, the government instituted restrictions on the extracurricular activities of children and

eliminated the system for adding additional points to school entrance exams for artistic skills. These changes sparked a sharp contraction in education-related demand, which dealt a devastating blow to the country's acoustic piano market. We sought to respond to this cooling of the market by commencing piano production structural reforms in fiscal 2024, but this response proved to be too late as the speed of the demand decline surpassed our expectations. In other words, I have to admit that, in this case, we lost the race against time that I mentioned earlier.

In the past, the musical instruments industry has been one with generally low volatility in demand. It could thus be said that we had become complacent due to the relatively slow flow of time in this industry, and this complacency caused us to drop our guard and delayed our decision-making and actions in responding to the recent demand fluctuations and the fierce competition. This was likely what caused our slump in performance under Make Wave 2.0. We have to be humble and recognize that we lacked responsiveness. This recognition should then be used to propel us forward in bolstering Yamaha's resilience and agility to ensure that the Company is able to act quickly in the face of adversity in the future.

While there were some shortcomings when it came to our financial performance, this does not undo the strong progress we made with regard to the three key policies of the plan, namely, "further strengthen the business foundation," "set sustainability as a source of value," and "enable Yamaha colleagues to be more valued, more engaged, and more committed." Through our initiatives to further strengthen the business foundation, we succeeded in achieving registration numbers for Yamaha Music ID, a digital customer touchpoint, that greatly exceeded our target. As for physical touchpoints, we have received an incredibly positive response from a diverse range of customers, including those with and without instrumental music performance experience, with regard to our newly opened experience-oriented stores. We also were able to expand our customer base through the growth of our automotive audio equipment operations and the introduction of products based on new concepts.



School Project activities in the Philippines

Other efforts included the establishment of a business development entity and a corporate venture capital fund in Silicon Valley to support the creation of new value.

In our efforts to set sustainability as a source of value, we broadened the scope of the School Project, our initiative for promoting the spread of musical culture, to include the Philippines and India, thereby expanding access to instrumental music education in emerging countries. Steady progress was also made in efforts to use sustainably sourced timber and reduce CO₂ emissions.

In regard to our quest to enable Yamaha colleagues to be more valued, more engaged, and more committed, we saw increases in the ratio of female managers as well as improvements in the ratio of employees offering positive responses regarding workplace environment on employee engagement surveys. These gains are indicative of tangible progress in empowering the organization.

These results represent more than the mere accomplishment of our numerical targets; they are directly linked to the reinforcement of the foundations that will support Yamaha's ongoing growth in the future. We are confident that growth based on a balanced emphasis on both financial and non-financial factors is the best path toward long-term improvements in corporate value, and we will continue to proceed along this path going forward.

New Rebuild & Evolve Medium-Term Management Plan

The new medium-term management plan bears the name of Rebuild & Evolve. The "Rebuild" portion of this name symbolizes our commitment to rebuilding existing businesses to return them to a growth track by recovering their earnings power to pre-COVID-19 pandemic levels. Meanwhile, the "Evolve" portion is an expression of our desire to grow our business domain in order to evolve Yamaha's business model. Based on these goals, we have put forth the three strategic policies of "rebuilding a strong business foundation," "evolving to create the future," and "strengthening the management foundation." Through the implementation of these policies, we aim to achieve a compound annual growth rate of 5% over the three-year period of the plan and return on equity of 10% in fiscal 2028, the final year of the plan.

Yamaha's operating environment is expected to continue to be volatile. As we move forward, we will need to respond to macroeconomic changes, such as high parts costs stemming from rising commodity prices, interest rate hikes, foreign exchange rate fluctuations, and changes in geopolitical and other risk levels. We also project the rapid diversification of customer lifestyles and values as well as an accelerated shift toward making purchases online. At the same time, advancements in technology—particularly the evolution of generative AI—are fundamentally transforming how business is done in a plethora of industries. We will thus be dedicating efforts to building an operating foundation that will enable us to furnish swift and flexible responses to such changes and to achieve sales and profit growth even under adverse conditions. Another focus in our pursuit of medium- to long-term growth will be bolstering our portfolio of new businesses that create experiential value for broadening the ways that customers enjoy sound and music.

A major theme emphasized in the process of developing the new medium-term management plan was heightening effectiveness. Based on this theme, we engaged in a series of discussions aimed at using the most direct terms for explaining our

approach toward accomplishing our goals and the factors that divisions should focus on. We also sought to ensure that the plan was more than a mere collection of plans for individual divisions. As such, the process was characterized by how we shared information on the goals of individual divisions and then worked to coordinate these goals to craft a cohesive overall plan. Meanwhile, during discussions at meetings of the Board of Directors, we were made aware of outside perspectives that were not sufficiently considered during discussions by the executive team. For example, it was pointed out that we needed to clarify the position Yamaha seeks to achieve on the basis of individual products and specific price ranges in light of the competition seen in the global market and then formulate strategies for achieving this position in the regions we serve. A need was also identified to provide more in-depth explanations regarding factors such as the value to be supplied to customers by, and the targeted scales of, the new businesses to be developed in pursuit of growth over the medium to long term. Yamaha is unparalleled on the global stage as a comprehensive musical instruments manufacturer, and we have held a leading position in the markets for numerous products throughout our history. We thus decided to take a humble reexamination of Yamaha's position based on the perspective of customers to determine if it is possible that this history had made us overconfident when it came to making comparisons and assessing competition. We also sought to determine if we were accurately assessing the changes in market and customer preferences.

Co-Creation of Social Value to Heighten Corporate Value

In conjunction with the announcement of the new medium-term management plan, Yamaha also unveiled its new management vision of "Creating a future where individuality shines through the power of sound and music – Enhance corporate value through the co-creation of social value." This vision is meant to clearly define the type of company we want to make Yamaha

over the medium to long term. There are three elements to this vision. The first element is pursuing the possibility of new value creation in the area of sound and music, where Yamaha's strengths and uniqueness can be fully utilized. The second element is consistently providing products and services encouraging self-expression and the diverse individualities of people around the world. The third element is proactively collaborating with diverse stakeholders to create new value together that contributes to the resolution of social issues.

Guided by this vision, Yamaha will continue its quest to provide more enjoyable, creative, and convenient experiential value while refining the fundamental value of products using the technologies and sensibilities it has fostered in relation to sound and music. We will also seek to develop operations in fields that lay adjacent to our existing business domain. Furthermore, we will look to broaden our business domain through the exploration of new possibilities for sound and music to contribute to resolve social issues in a way that is not limited to our existing products and businesses.

Yamaha is more than just a supplier of products; we offer comprehensive support for self-expression. In this capacity, we aim to continue supporting a society where diversity shines with the goal of shaping a better future. As we boldly advance toward this vision, we must also grow as a company through this process. I want to make it clear that this approach toward growth is something we treasure.

Priorities for Improving Profitability

As we seek to improve profitability, we will prioritize our piano and home audio product operations. In regard to pianos, we made the difficult decision to restructure our production network in response to the contraction of demand in the Chinese market. As part of this restructuring, production in Indonesia will be discontinued in December 2025 and we will reorganize and consolidate production into bases in Japan and China. By achieving a production structure that better matches the scale of the market,

we look to reduce fixed production costs. At the same time, we will seek to heighten the ratio of sales attributable to high-margin, high-value-added products. In these ways, we will pursue higher profitability.

As for home audio products, we are shifting our approach to focus more on high-value-added products targeting customers with discerning tastes in sound quality. As we bolster our lineup of high-margin premium products, we will also institute massive cuts to fixed development and production costs in relation to entry-level products, an area where competition is intense.

Meanwhile, higher levels of competitiveness will be pursued in growing fields to accelerate the growth of the Company.

Yamaha will also strive to grow sales of bundled acoustic systems in the field of public address equipment for entertainment applications. We look to accomplish this by enhancing connectivity between our high-market-share digital mixers and our speakers, which are anticipated to benefit from a growing market going forward. Other efforts in this field will include the development of optimal frameworks for supplying timely responses to customer needs in business-to-business operations to accelerate our growth by capitalizing on the expansion of the global market for concerts and other in-person experiences.

Meanwhile, initiatives pertaining to digital pianos will include the promotion of sales of high-value-added models with the capacity for genuine expression made possible by Yamaha's deep insight into acoustic pianos. In addition, we will seek to increase our presence in the field of entry-level digital pianos by bolstering online sales networks and optimizing our digital marketing approach.

Exercise of Strengths as a Comprehensive Musical Instruments Manufacturer

If Yamaha is to continue to grow and create value going forward, it will be imperative that we exercise our strengths as a comprehensive musical instruments manufacturer as we proceed with our business-specific initiatives for improving value.

Yamaha Music Connect will be integral to laying the groundwork for these efforts. In this business, we will link our musical instruments with music services that help users better enjoy these instruments in order to support the enhancement of performance experiences.

Yamaha Music Connect is a platform for designing the ideal services for each individual customer based on our customer data platform by drawing up offerings such as online lessons, content marketplaces, and community services. This platform allows us to connect customers playing different instruments or provide opportunities for a customer to have fun playing an instrument different from their usual instrument. By delivering this type of enriching music experience that only Yamaha can offer, we aim to evolve our business model to transition from an emphasis on selling goods to a focus on selling experiences.

This desire to qualitatively change and evolve existing businesses by exploring new fields is the reason why we included "Evolve" in the name of the Rebuild & Evolve medium-term management plan. Propelled by this desire, we will endeavor to create new musical instruments business opportunities by



improving experiential value and customer success. We thereby aim to break out of the mold of a mature business, which our musical instruments business could be considered if we look only at hardware sales, and return this business to a growth track.

New Challenges for Expanding Business Domain

Yamaha must expand into business areas adjacent to existing businesses and into completely new fields if it hopes to develop a business that can continue to achieve robust growth over the medium to long term.

Under the previous medium-term management plan, we began ramping up our efforts in our automotive sound system operations. In this field, we will seek to increase the range of vehicles using Yamaha equipment by taking full advantage of our proprietary Music:AI technology to deliver premium customer experiences and by soliciting the benefits of shortened development periods and other advantages that we offer to automobile manufacturers.

Meanwhile, our efforts to create businesses in new fields other than musical instruments and audio equipment will include developing open innovation frameworks for consolidating internal and external expertise. With these frameworks, we will work to create new businesses through collaboration with external partners, rather than purely focusing on commercializing the ideas that emerge within the organization. Yamaha Music Innovations, our base located in Silicon Valley, is being used as a hub for collaboration with external partners. At the same time, we are conducting corporate venture capital investment to develop businesses from an outside-in approach.

At Yamaha, we aspire to contribute to the resolution of social issues with the power of sound and music as well as the technologies and sensibilities fostered through our business activities. Specific aims include creating connections between people through music, providing feelings of safety and security

with sound, and promoting resource circulation on a global scale to ensure the sustainability of music and instrument cultures. As we pursue these aims, we will strive to unlock new possibilities for sound and music and thereby expand our business domain.

We will not allow ourselves to be bound by our existing businesses, but rather will seek to create new businesses that help resolve social issues with sound and music. This future-oriented quest will no doubt give Yamaha the momentum needed to take its next big step.

Improvement of Capital and Asset Efficiency

The new medium-term management plan defines improving capital and asset efficiency as one of the central pillars of the strategic policy of strengthening the management foundation. To this end, improvements to the health of our balance sheet will be pursued through reductions to inventories and cross-shareholdings. We have also performed a tree analysis of return on invested capital by business segment to guide efforts to boost business efficiency and profitability. Enhancing portfolio management is another important theme of the new medium-term management plan. The plan therefore includes a visual representation of our business portfolio vision in which existing and new businesses are placed in one of four categories, either Foster, Growth, Stable, or Rebuild. We are accelerating investments in growth businesses while working toward quick improvements in challenging businesses through ongoing monitoring based on these categorizations. In addition, we have introduced a management process involving regular reviews of our portfolio in which the meaningfulness of our asset holdings is assessed using three evaluation axes: consistency with management vision and other aims, future business potential and profitability, and the meaning of holdings from the best owner perspective.

Although there has been no change to our emphasis on a balance between investment and shareholder returns, the new



Promotional materials of Yamaha Music Innovations Fund, a corporate venture capital fund located in Silicon Valley

medium-term management plan does place additional weight on growth investments. If we neglect investments due to an overemphasis on returns, it may result in both shrinking, which would hinder efforts to enhance corporate value. Accordingly, we will be looking to live up to shareholder expectations by achieving growth through proactive investment. We are also dedicated to restoring the capital market's trust in Yamaha. This is why we intend to provide highly detailed explanations of our medium- to long-term growth strategies and practice healthy engagement while delivering steady growth in quarterly performance in the short term.

Creation of Value Using Intangible Assets

Yamaha possesses a number of intangible assets that are not being utilized to their full capacity to contribute to corporate value. The most prominent of these assets is the brand power we have built over the years, but other examples include our acoustic and digital technology development capabilities, global sales networks, and initiatives for promoting instrumental music education in emerging countries. The intangible asset that we should perhaps most actively mobilize to create value is our people. This is why we have positioned strengthening human capital as one of the key themes of the new



Workplace visit by President Yamaura to speak with employees

medium-term management plan and why we are working to foster an environment in which human resources with diverse values and from diverse backgrounds can succeed. In more concrete terms, the plan calls on us to transform our human resource portfolio by fostering a creative and ambitious organizational culture, establishing a system to strengthen organizational capabilities and encourage individual growth, and establishing a human resource management system linked to business strategies.

Needs related to sound and music are growing increasingly diverse. We will have to empower every employee to fully exercise their skills if we want to continue to effectively accommodate these needs and create new value. We believe that it is only when diverse employees are able to realize their full potential that they help us shape a future in which people's individuality shines through sound and music, regardless of their experience with instruments, proficiency at performances, local culture, or gender.

Shaping a Brighter Society Through the Power of Sound and Music

Driven by its mission of supporting the "Well-Being of People around the World," Yamaha is fully dedicating its efforts to business activities that let people around the world exercise their creativity and shine.

We look to explore, create, and grow new business models that are founded on empathy and entail coordination with external partners to help resolve social issues through the power of sound and music. We envision a cycle in which Yamaha advances business activities that support people around the world in exercising their creativity, making their individuality shine, and creating light that illuminates the Yamaha brand. I hope to build such a cycle together with stakeholders.

Yamaha will continue to engage in earnest and constructive communication with its shareholders and other investors, while turning a receptive ear toward even the most scathing feedback. As we do this, I would like to ask our shareholders and other investors for their ongoing support and understanding.

September 2025

A handwritten signature in black ink, reading "Koji Yamamura".

Director, President and Representative Executive Officer

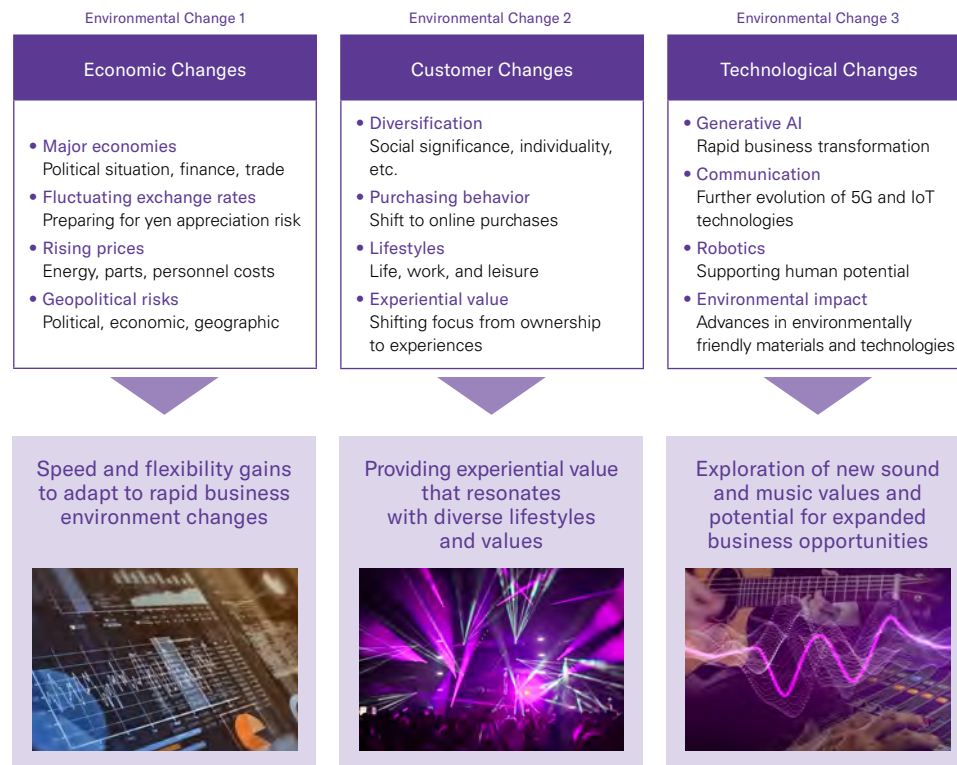


YAMAHA'S MATERIAL ISSUES

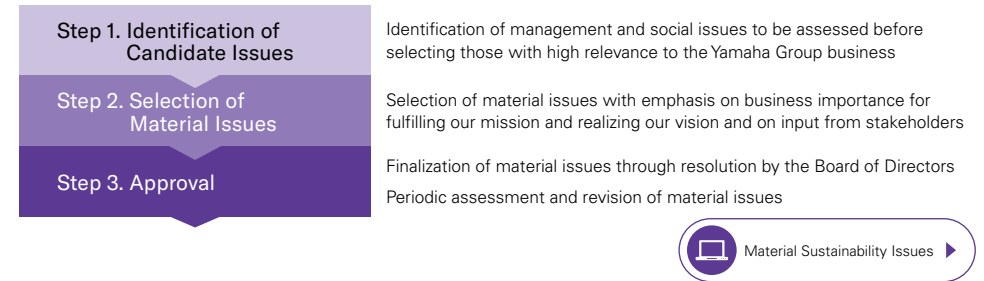
Growth in the New Society Emerging amid Changing Operating Environment

During the period of Make Waves 2.0, the previous medium-term management plan, Yamaha's operating environment transformed with unprecedented speed. Changes on the macroeconomic level included economic fluctuations, commodity price increases, and the emergence of foreign exchange and geopolitical risks. At the same time, we witnessed the diversification of customer values and lifestyles as well as a rapid shift toward online purchasing. Meanwhile, advances in generative AI and other technologies are fundamentally transforming the way people do business. In this environment, it is important to adopt a stance of not fearing dynamic changes and instead adapting swiftly and flexibly to actively capitalize on these changes as growth opportunities. Based on this recognition, Yamaha will continue to create unique new value as a company focused on sound and music while providing experiential value that is tailored to the diverse values and lifestyles of customers. We will thereby seek to convert changes into opportunities for growing our business.

A New Society Brought about by Business Environment Changes

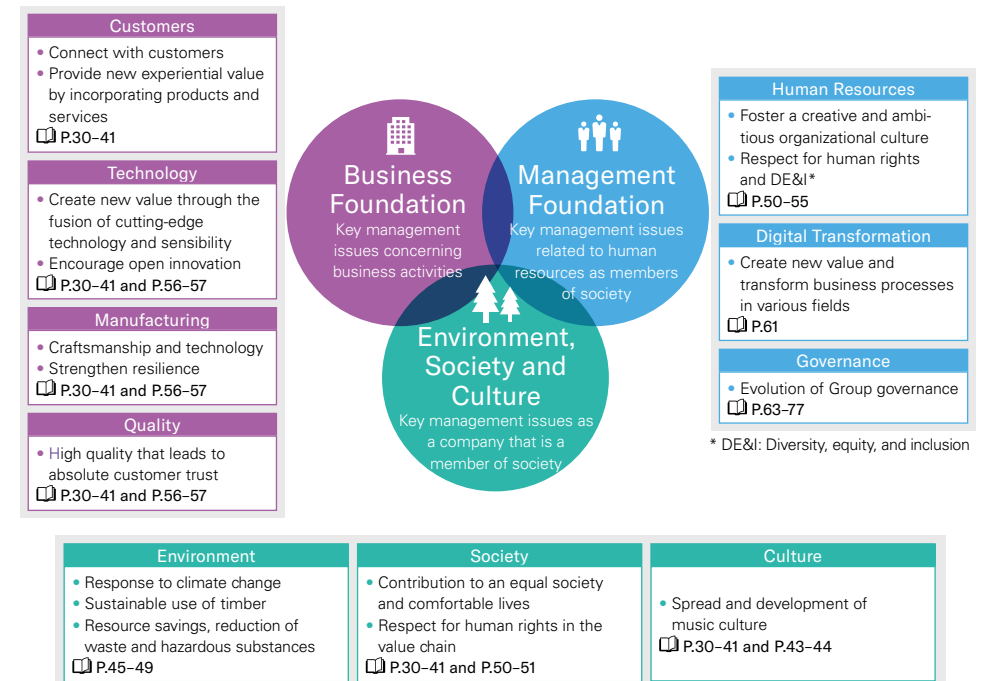


Material Issue Identification Process



Material Issues

Information on initiatives based on the defined material issues can be found on P.18–23 as well as on the pages indicated below.



Creating a future where individuality shines through the power of sound and music
Enhance corporate value through the co-creation of social value

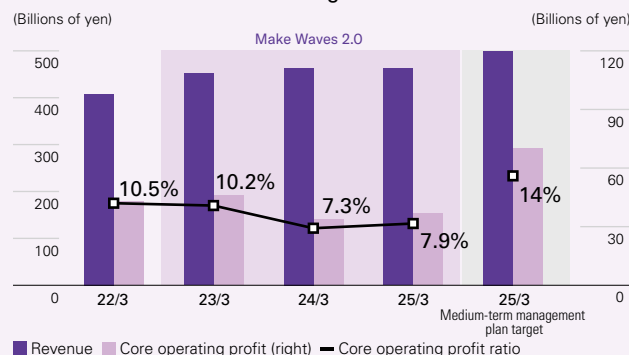
Rebuild & Evolve NEW MEDIUM-TERM MANAGEMENT PLAN

Previous Medium-Term Management Plan (Make Waves 2.0, from April 2022 to March 2025)

Results and Challenges

The period of Make Waves 2.0, the previous medium-term management plan, was positioned as a time to enhance Yamaha's capacity to achieve sustainable growth in the new society that emerged following the COVID-19 pandemic. This policy guided us in advancing various measures for responding to changes in the operating environment. For example, we expanded customer contact points by merging digital and physical venues, created new value through Yamaha Music Connect, converted our business development base in Silicon Valley into a corporate entity, and reinforced our central manufacturing functions in Japan to establish a more flexible and resilient production platform. Despite our progress in these varied efforts, however, we failed to accomplish our financial targets. Noteworthy factors impacting financial performance included struggling performance in the musical instruments business amid rapid declines in piano demand in China, faltering sales of audio equipment for consumer use, and losses recorded due to structural reforms at production sites as well as unprofitable operations stemming from lower production levels. These factors can be attributed to inventory gluts and reduced profitability resulted from our inability to fully respond to the drastic market changes, insufficient supply chain resilience for addressing higher parts and distribution costs, and a lack of frameworks for supporting swift investment in growth areas. In regard to our non-financial targets, we were unable to achieve our target for production infrastructure investment, due in part to investment austerity practiced in light of the rapid market downturn. However, we were able to mostly meet our other non-financial targets. With the foundation built by our successes under the previous medium-term management plan, Yamaha will make concerted efforts to address the issues identified under the plan over the next three years.

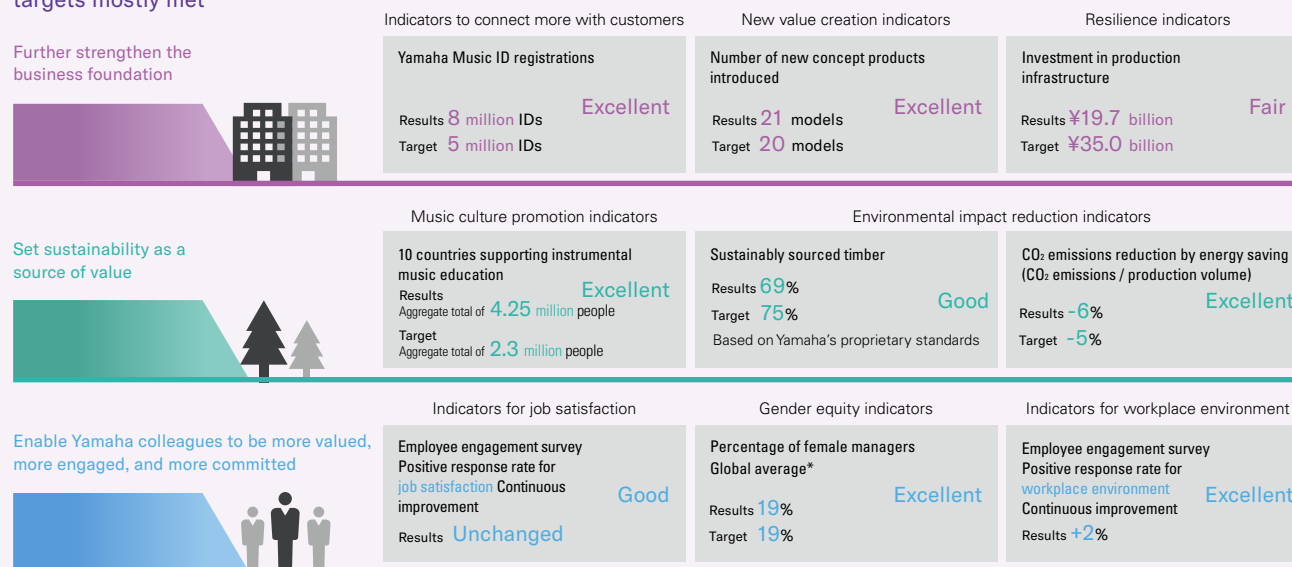
Financial Performance and Targets



	22/3	23/3	24/3	25/3	25/3 Medium-term management plan target
Revenue (Billions of yen)	408.2	451.4	462.9	462.1	500.0
Core operating profit (Billions of yen)	43.0	45.9	33.7	36.7	70.0
Core operating profit ratio (%)	10.5	10.2	7.3	7.9	14
ROE (%)	9.2	8.8	6.1	2.8	10% or more
ROIC (%)	7.3	7.8	5.5	4.4	10% or more
Exchange rates (Yen)	US\$	112	135	145	115
	EUR	131	136	146	130

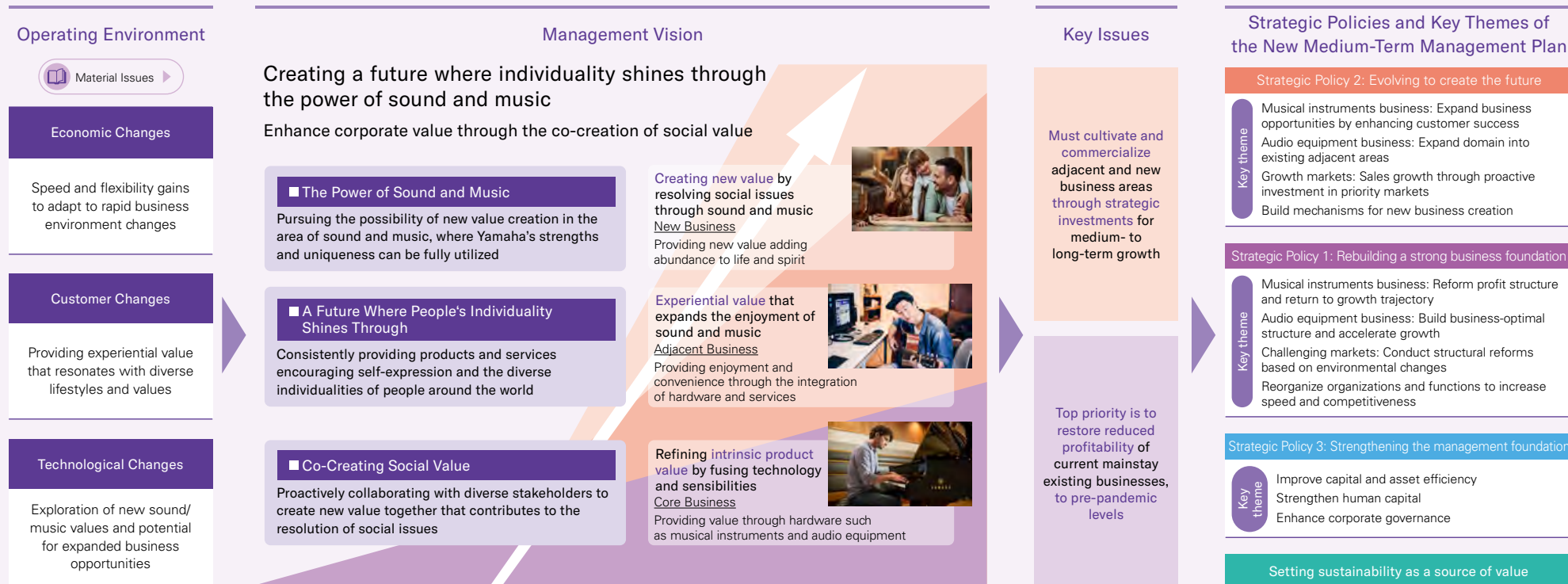
Non-Financial Performance and Targets

Failure to achieve target for production infrastructure investment due to the rapid market downturn, but other non-financial targets mostly met



* Certain Group companies are excluded from the scope of calculation due to legal restrictions.

Basic Policies of Rebuild & Evolve and Position Toward Realizing New Management Vision



The operating environment is anticipated to continue to change going forward. This recognition prompted Yamaha to define its new medium- to long-term management vision as “Creating a future where individuality shines through the power of sound and music – Enhance corporate value through the co-creation of social value.” Based on this vision, we will continue our quest to provide more enjoyable, creative, and convenient experiential value while refining the fundamental value of products using the technologies and sensibilities we have fostered in relation to sound and music. At the same time, we will seek to expand our

business domain by exploring new possibilities for sound and music to contribute to the resolution of social issues without being bound by existing products and businesses.

Challenges that have been identified as needing to be overcome on our path toward realizing our new vision include returning to a growth track by rebuilding and recovering earnings power in existing businesses to pre-pandemic levels. Yamaha will also need to evolve by expanding into business areas adjacent to existing businesses and into completely new fields in order to drive robust growth that can continue over the medium to long term. Moreover, improvements to

capital and asset efficiency and enhancements to human capital and governance will be imperative to creating a stable management foundation to support ongoing growth. It is in recognition of these challenges that the name of “Rebuild & Evolve” was chosen for the new medium-term management plan. As we rebuild our operations, we will also strive to evolve, not just expand our business domain, by pursuing qualitative improvements throughout Yamaha's business. Furthermore, the new medium-term management plan defines three strategic policies to guide initiatives from the perspectives of businesses, markets, and the Company as a whole.

Management Targets

Under Rebuild & Evolve, we will pursue our numerical targets with an even greater degree of dedication. The management targets of the highest priority will be achieving a compound annual growth rate (CAGR) of 5% throughout the period of the plan along with return on equity (ROE) of 10% in fiscal 2028, the final year of the plan. The plan also puts forth varied key performance indicators (KPIs) for use in monitoring progress in core strategies.

Business Portfolio

To shape our approach toward improving corporate value over the medium to long term, Rebuild & Evolve includes a visual representation of our business portfolio vision in which businesses are positioned in one of four quadrants (Foster, Growth, Stable, or Rebuild), based on which our focus is defined as either “improve profitability through structural reforms,” “increase competitiveness and accelerate growth,” or “expand domain into existing adjacent areas and create new businesses.” Yamaha’s approach toward portfolio management under the plan will entail appropriately allocating management resources in accordance with these designations.

In existing business areas, we will formulate strategies based on clear divisions defining the businesses in which we will seek to increase competitiveness and accelerate growth and those in which we will aim to improve profitability through structural reforms.

At the same time, we will proactively invest in music services, audio equipment for mobility use, business solutions, and other business areas while also fostering new businesses and businesses that contribute to the resolution of social issues into future growth pillars. In this way, Yamaha will be ramping up initiatives for laying the foundations for new growth.

Through these initiatives, we will endeavor to heighten earnings power while improving capital and asset efficiency with the goal of developing a business portfolio that can achieve ongoing growth and exceptional profitability even under volatile conditions.

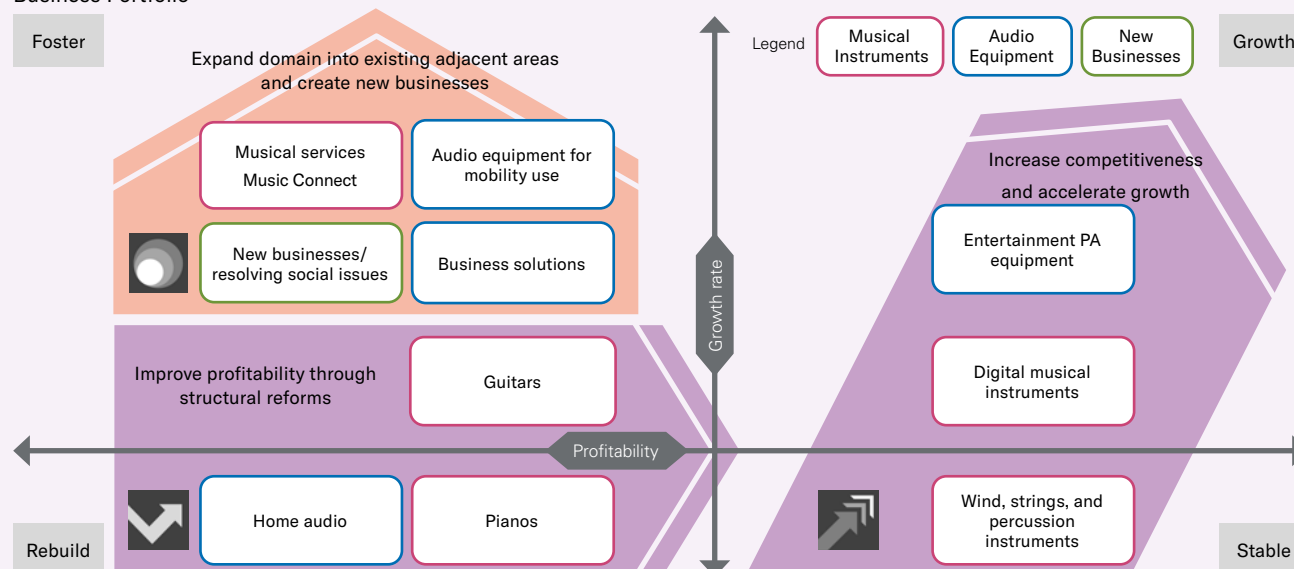
Approach Toward Business Portfolio Transformation

Management Targets for the Medium-Term Management Plan

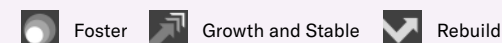
Financial targets	3-year CAGR: 5%	ROE: 10%	Core operating profit ratio: 13.5%	Total return ratio: 50% or more
Rebuilding a strong business foundation	Indicator for Expansion of Existing Business Scale		Indicator for Profit Improvement	
	3-year CAGR by segment	Musical instruments: 4% Audio equipment: 7%	Core operating profit ratio by segment	Musical instruments: 14% Audio equipment: 12%
Evolving to create the future	Indicators for Domain Expansion		Indicator for New Value Creation	
	Strategic investments	¥60 billion	Number of commercialization and service adoptions in new/adjacent areas	20
	Number of Yamaha Music IDs	10 million IDs		
	3-year CAGR in India and Philippines	18%		
KPIs measuring achievement of each key strategy	Indicator for Capital and Asset Efficiency		Indicators for Strengthening of Human Capital	
	ROIC by segment (% increase)	Musical instruments: +7% Audio equipment: +3%	Investment in human capital	1.5x
			Percentage of female managers	24%
Setting sustainability as a source of value	Environmental Indicators		Social Indicators	
	Sustainably sourced timber	80%	Use cases for resolving social issues	20
	Elimination of plastic packaging	-25%*1	On-site supplier audits	60 companies
	CO ₂ emission reduction rate	-30%*2		
			Cultural Indicators	
			Music culture support activities*3	12,000
			Children in school projects (cumulative)	7 million

*1 Styrofoam (vs. FY2022) *2 Scope 1 and Scope 2 (vs. FY2017). *3 Activities to create opportunities for people to connect through music

Business Portfolio



KEY STRATEGIES 1. REBUILDING A STRONG BUSINESS FOUNDATION



Musical Instruments Business

P32-33

Quickly improve profitability of the piano and guitar businesses and return the digital musical instruments business to a growth trajectory

Segment	Theme	KPIs of the New Medium-Term Management Plan
Pianos	Improve profitability by reorganizing production bases; rebuilding a high-value-added business	Manufacturing fixed cost reduction -10% Ratio of sales attributable to mid-range and high-end model sales +5%
Digital musical instruments	Achieve growth rate exceeding market growth through sales strategy by price range for digital pianos	Digital piano market share growth +3%
Wind, strings, and percussion instruments	Optimize development and production systems for continued growth and expand mid-range to high-end market share through strategic products	Mid-range to high-end wind instrument share growth +3%
Guitars	Improve earnings through manufacturing reforms and strengthen sales of mid-range to high-end products	Cost reduction -10% Ratio of sales attributable to mid-range and high-end model sales +8%

Audio Equipment Business

P39

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

Segment	Theme	KPIs of the New Medium-Term Management Plan
Audio equipment for professional use	Enhance the functional integration between mixers and speakers; expand system sales of product packages for growth Co-create and provide optimal solutions for focus markets with channel partners	3-year CAGR 7%
Audio equipment for consumer use	Grow as a brand supported by creators for production, streaming, live performances, etc. Restructure business by optimizing manufacturing and sales structure focused on hobbyist customers	Music production and streaming equipment 3-year CAGR 9% Home audio cost reduction -25%

Focus Markets

Improvement of Profitability Through Business Structural Reforms Based on Operating Environment Changes

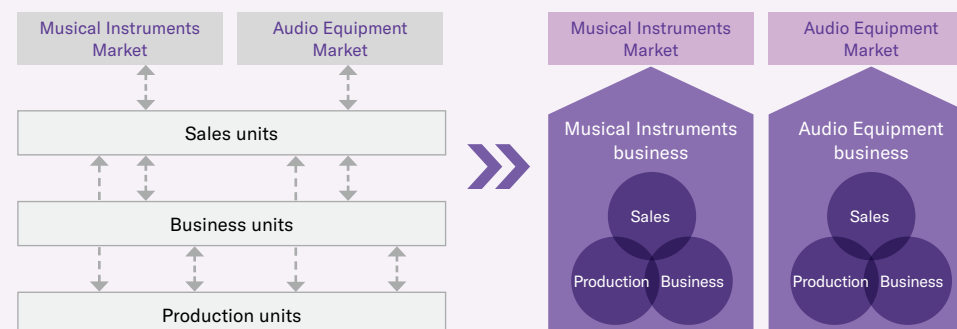
Yamaha is moving ahead with measures for achieving the ideal form for its businesses in Japan as well as in China, where it is pressed to respond to operating environment changes. In the Chinese market, we will move away from our prior approach for pianos emphasizing sales volumes to transition toward a focus on highlighting the value of Yamaha products. At the same time, we will develop sales networks with specialized capabilities with regard to the growth areas of guitars, wind instruments, and public address (PA) equipment for entertainment applications. As for Japan, our focus will be improving profit margins by rationalizing operations and revising product selling prices to more appropriately reflect their value. Other measures will include collaboration with specialists, utilization of experience-oriented venues, and popularization of music to grow our customer base and market share.

Region	Theme
Chinese market	As a comprehensive musical instruments manufacturer, create future demand for products other than pianos and expand product sales
Japanese market	Focus on customer growth and market share expansion while proceeding with profit structure reforms

Reorganization of Organizations and Functions

Reorganization of Organizations and Functions to Increase Execution Speed and Competitiveness

Yamaha will work to integrate business, production, and sales functions to accelerate collaboration with a focus on businesses. At the same time, we will sculpt operating procedures based on the characteristics of our musical instruments and audio equipment businesses as we seek to increase execution speed while more thoroughly adopting the customer's perspective.



KEY STRATEGIES 2. EVOLVING TO CREATE THE FUTURE

Musical Instruments Business

P.36 ▶

Business growth driven by Yamaha Music Connect

Segment	Theme
 Music Connect	Use the power of technology to expand the potential of people and music

Audio Equipment Business

P.39-40 ▶

Achieve high business growth in the audio equipment segment

Segment	Theme	KPIs of the New Medium-Term Management Plan
 Audio equipment for mobility use	Accelerate growth by offering premium experiences in line with customer requirements	3-year CAGR 6%
 Audio equipment for professional use	Expand domains with industry-leading signal processing and sound field adjustment technologies	—

Growth Markets

Sales growth through proactive investment in priority markets

Region	Theme	KPIs of the New Medium-Term Management Plan
 India	Further grow sales by expanding sales network and maximally leveraging local production model	3-year CAGR 13%
 Philippines	Make the Philippines an engine of growth in the ASEAN region; expand sales of mid-range and high-end products through stronger communication of our value proposition	3-year CAGR 48%

 Foster  Growth and Stable  Rebuild

New Business

Building of Mechanisms for New Business Creation

In its efforts to explore areas that lie outside of the realm of its musical instruments and audio equipment businesses as well as other new businesses, Yamaha will develop frameworks for promoting open innovation that capitalizes on internal and external insight. We thereby aim to promote the creation of new businesses through collaboration with external partners, as opposed to purely focusing on commercializing ideas born within the Company. Collaboration with external partners is being pursued via efforts centered on Yamaha Music Innovations, our business development base in Silicon Valley. Through this base, we will seek to strengthen existing businesses by means of such collaboration while conducting corporate venture capital investment to develop businesses from an outside-in approach. Furthermore, Yamaha is advancing training programs for improving success in the development of new businesses and cultivating human resources with the skills and mindset necessary for business development. These programs are being used to entrench a culture of new business development within the organization.



Masamitsu Kitase

Operating Officer
Senior General Manager of
New Business Development Division



KEY STRATEGIES 3. STRENGTHENING THE MANAGEMENT FOUNDATION

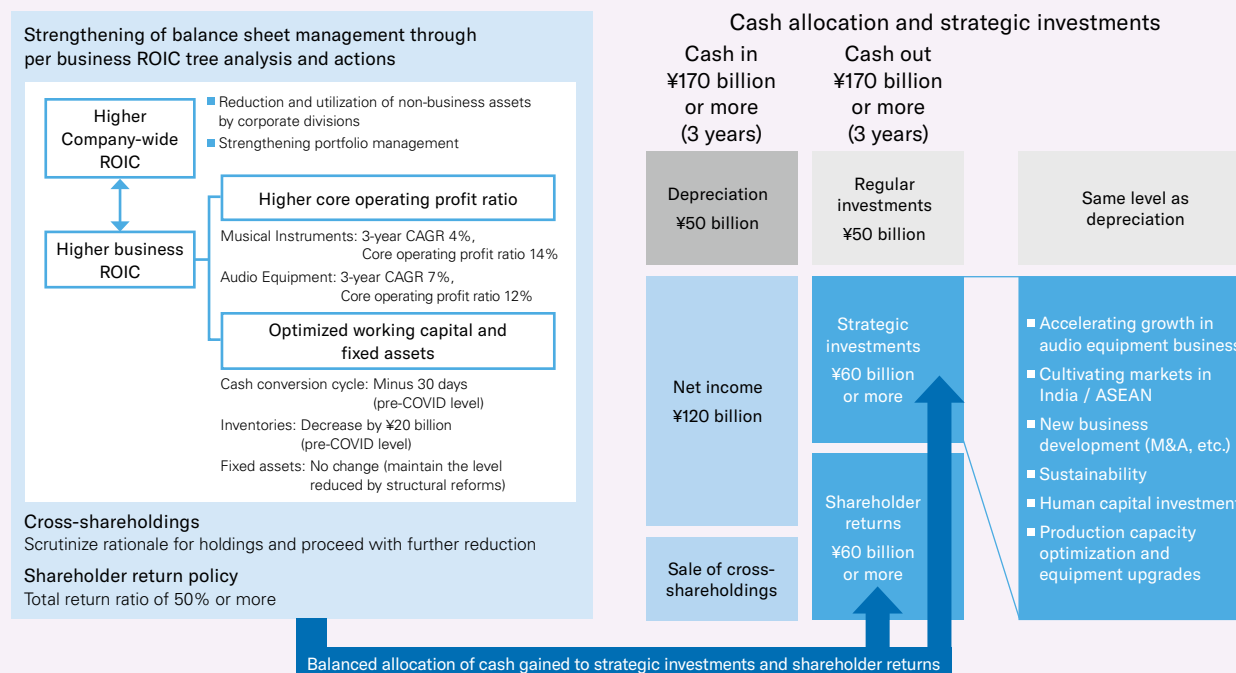
Improve Capital and Asset Efficiency

ROIC Tree Analysis and Cash Allocation

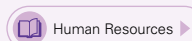
Yamaha has performed a tree analysis of return on invested capital (ROIC) by business, based on which it is accelerating its measures for improving capital and asset efficiency. The goal of this approach is to quickly recover ROIC, which dropped substantially during the period of the previous medium-term management plan, to a level on par with weighted average cost of capital. Moreover, we will practice more rigorous inventory management while reducing cross-shareholdings to improve asset efficiency and thereby heighten the overall health of our balance sheet. The cash gained through our business activities will be allocated in a balanced manner to shareholder returns and to strategic investments for exploring growth fields and new business areas.

Business Portfolio Transformation

To give form to our business portfolio management approach, we undertook a business assessment using three evaluation axes: consistency with mission, management vision, and other aims; future business potential and profitability (ROIC, etc.); and the meaning of holdings from the best owner perspective. Based on these evaluation axes, businesses were placed into one of four quadrants. We thus transitioned to a management process based on periodic reviews of our portfolio. Improved profitability will be pursued by tracking ROIC on an individual business basis to facilitate aggressive investment in areas where we can anticipate high earnings and high growth. Meanwhile, strategic revisions will be implemented to operations in areas deemed to have diminished competitiveness, and this may result in the contraction of or withdrawal from such areas. In addition, monitoring frameworks are being developed for use in managing ROIC.



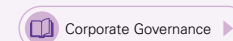
Strengthening of Human Capital



The development of an organizational culture that allows employees to fully capitalize on their unique strengths is imperative to achieving ongoing growth.

Based on this recognition, Yamaha has positioned strengthening human capital as one of the key themes of the new medium-term management plan, and we are working to foster an environment in which human resources with diverse values and from diverse backgrounds can succeed. Under the new plan, the Company aims to transform its human resource portfolio by fostering a creative and ambitious organizational culture, establishing a system to strengthen organizational capabilities and encourage individual growth, and establishing a human resource management system linked to business strategies.

Corporate Governance



Management is being pressed to navigate an increasingly complicated operating environment, which will require greater levels of transparency, impartiality, and speed. Yamaha has proceeded to reinforce the functions of the Board of Directors while increasing the ratio of independent outside directors. Going forward, we will continue such efforts to heighten the effectiveness of our corporate governance systems. For example, we plan to promote more extensive discussion of medium- to long-term strategies and business portfolios at meetings of the Board of Directors while refining meeting practices to facilitate more objective discussion that better gets to the heart of the matters at hand. Meanwhile, ongoing revisions will be implemented to internal control systems to achieve greater levels of effectiveness in terms of risk management and misconduct prevention.



Yamaha will heighten its ability to produce results and its flexibility in responding to change, to ensure that it accomplishes its targets and thereby generates returns that exceed the cost of capital and enhance corporate value.

Jun Nishimura
Executive Officer
Executive General Manager of Corporate Management Unit

Leadership for Achieving Swift and Agile Transformation

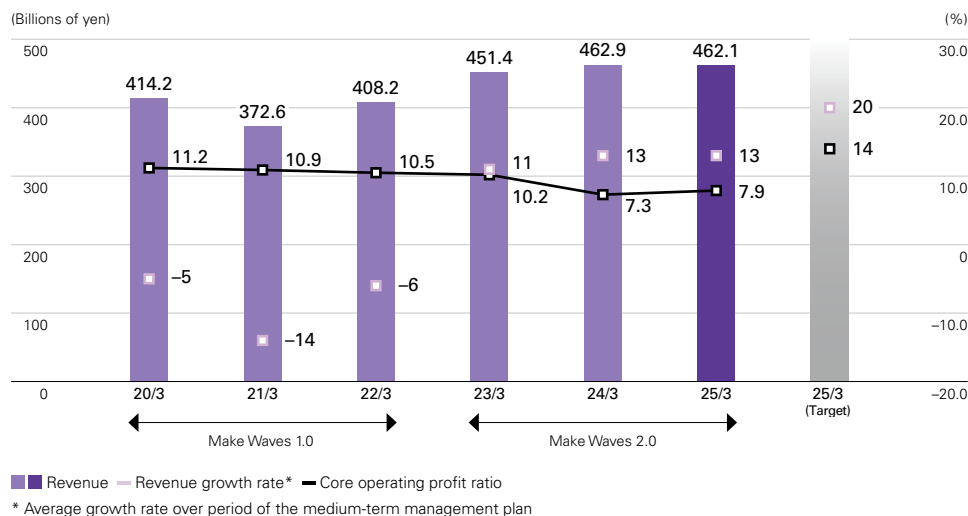
I was appointed as leader of the Corporate Management Unit in April 2025. My career background includes overseas assignments and experience on the front lines of domestic and overseas sales, marketing, and branding activities. I have also had the opportunity to develop a management perspective as the president of a Yamaha sales subsidiary. I will be taking advantage of my sales and management experience as I perform my duties in this new position.

Operating environment volatility and a complex and opaque social climate have become common fixtures, pressing companies to increase their agility in business activities. This means that it is important to first set things into action, as opposed to wasting undue amounts of time splitting hairs over concepts and strategies, and then to gauge the stakeholder response to quickly decide the next action. As executive general manager of the Corporate Management Unit, I function as the central command tower for this undertaking. In this capacity, I am committed to supporting swift and agile action based on my experience in sales to exercise leadership for improving corporate value.

Challenges Identified Based on Results of Previous Medium-Term Management Plan

In fiscal 2025, the final year of the Make Waves 2.0 medium-term management plan, Yamaha posted revenue of ¥462.1 billion and core operating profit of ¥36.7 billion. The revenue figure fell short of the plan's target of ¥500.0 billion while the core operating profit figure was only half the targeted amount of ¥70.0 billion. Due to these regrettable results, the core operating profit ratio came to 7.9%, lower than the targeted 14%, and return on equity and return on invested capital both registered below their targets of 10% or more, at 2.8% and 4.4%, respectively. In this manner, we failed to accomplish all of our financial targets under the previous plan.

Revenue, Revenue Growth Rate, and Core Operating Profit Ratio

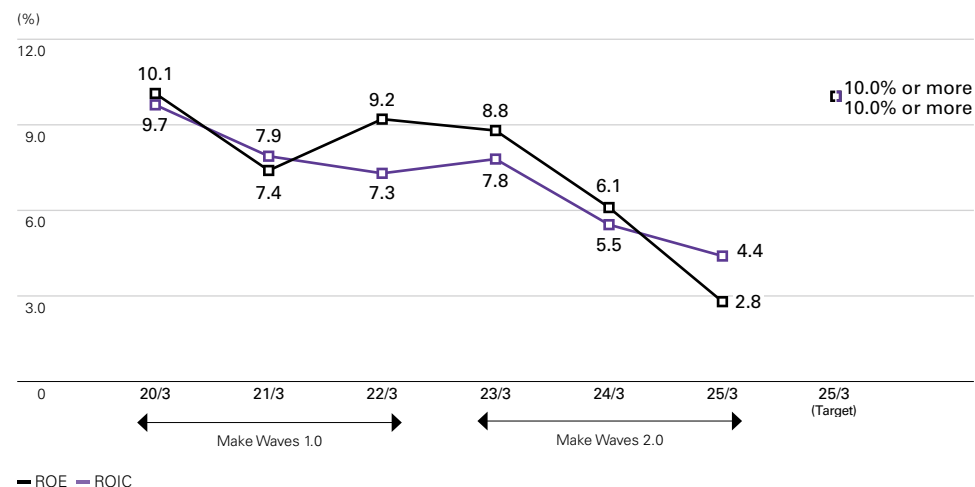


This unfortunate outcome was due to an inability to furnish a swift response to changes in the operating environment. Specific examples of the changes that impacted performance included the decline in demand following the dissipation of the special demand trend associated with people staying at home during the COVID-19 pandemic, the slump in piano sales in China due to an economic downturn and changes to government education policies in this country, the global rise in commodity prices, foreign exchange rate fluctuations, and growing geopolitical risks. I take this inability to be indicative of a lack of the responsiveness needed to quickly detect the signs of changes and take preemptive action by flexibly adjusting production and procurement. From a financial management standpoint, I recognize that we were unable to achieve sales and profit growth that matched the scale of the increase in inventories and the rise in overseas assets attributable to foreign exchange influences. This factor led to a decline in capital efficiency.

New Rebuild & Evolve Medium-Term Management Plan

Based on our recognition of the pressing needs to rebuild our earnings power in existing businesses and evolve so as to return to a growth track, we launched Rebuild & Evolve, our new medium-term management plan, in April 2025. This plan defines the three strategic policies of “rebuilding a strong business foundation,” “evolving to create the future,” and “strengthening the management foundation.”

ROE and ROIC



Based on these policies, we will seek to improve the profitability of existing businesses while pursuing growth in adjacent and completely new business fields. We thereby aim to achieve a compound annual growth rate of 5% on a three-year basis as well as return on equity of 10% and a core operating profit ratio of 13.5% in the final year of the plan.

Enhancement of Portfolio Management

The enhancement of portfolio management is a central pillar of our implementation of the three strategic policies of the new medium-term management plan. To guide these efforts, we have assessed the growth potential and profitability of Yamaha's various products and services and placed them into one of four categories— Foster, Growth, Stable, or Rebuild—and are advancing the necessary measures based on these categorizations. We thereby aim to facilitate quick improvements in challenging businesses while accelerating investments in growth businesses.

For example, the Growth and Foster categories contain entertainment and other audio equipment for professional use, audio equipment for mobility use, and Music Connect. We will look to expand these businesses through growth investments. Conversely, pianos, guitars, and home audio products have been positioned in the Rebuild category. For pianos and guitars, our approach will involve cutting fixed and other costs while improving profit margins by increasing the proportion of sales attributable to

high-value-added products and mid-range to high-end products. As for home audio products, we will narrow the scope of regions we supply, scale back our product portfolio to focus more on high-value-added models, and cut costs by utilizing manufacturing subcontractors and other means.

Moreover, regular assessments will be conducted on a by-business basis to evaluate the meaningfulness of asset holdings based on three evaluation axes: consistency with mission, management vision, and other aims; future business potential and profitability (ROIC, etc.); and the meaning of holdings from the best owner perspective. We will introduce a process of revising our business portfolio based on the results of these assessments, which informs the allocation of investments and other management resources and serves as the basis for deciding whether we will seek profitability improvement in a business or instead withdraw from or sell the business.

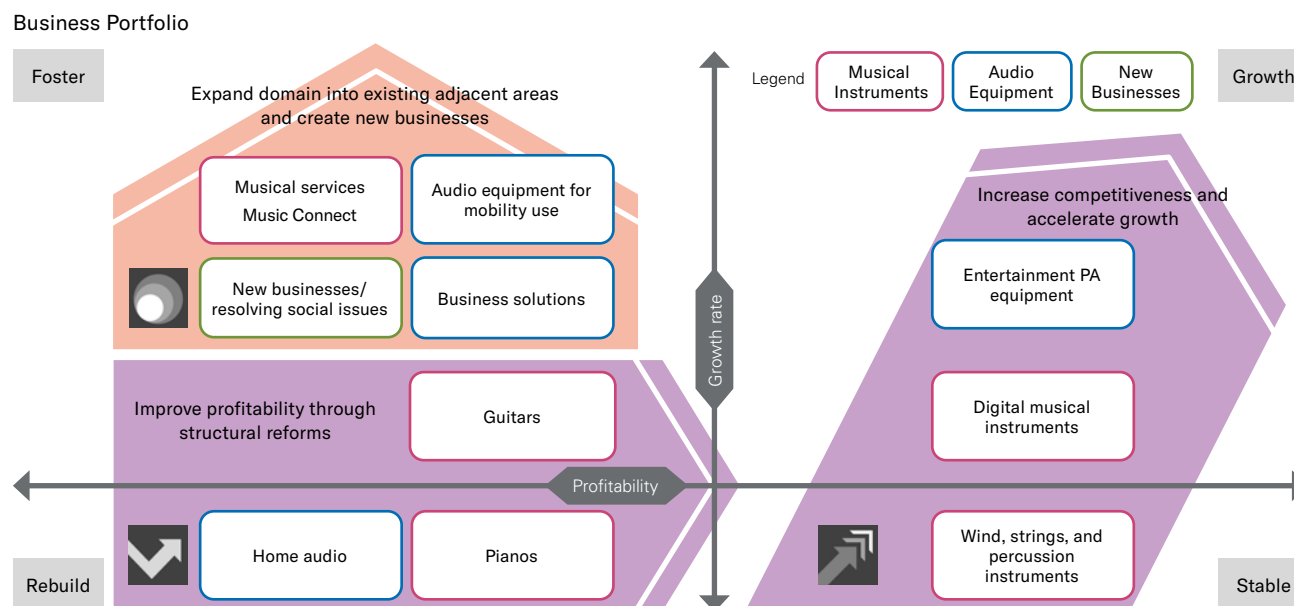
Response to Operating Environment Changes

The recent rises in procurement and labor costs are expected to continue going forward. Meanwhile, a glance at the global economy reveals a high likelihood of significant fluctuations in tariff and foreign

exchange rates. Yamaha will respond to these operating environment changes by raising product prices to more accurately reflect their value while striking a balance with the need to recover our market share. We will also work to secure earnings by cutting fixed costs, growing sales of high-margin products, and absorbing the impacts of cost increases through targeted cost controls.

In April 2025, we undertook a reorganization of our functions. This reorganization consolidated the business, production, and sales functions that had previously been housed in separate function-oriented organizations into centralized divisions for the musical instruments business and the audio equipment business. The goal of this move was to enable us to better detect signs of market changes and to accelerate the speed at which we make and implement decisions. The new structure addresses issues that had plagued Yamaha by allowing for increased flexibility in inventory control and production adjustment in response to market trends. Based on lessons learned under the previous medium-term management plan, we will heighten our responsiveness to change and pursue swift coordination between processes ranging from information collection and decision-making to action at production and sales sites.

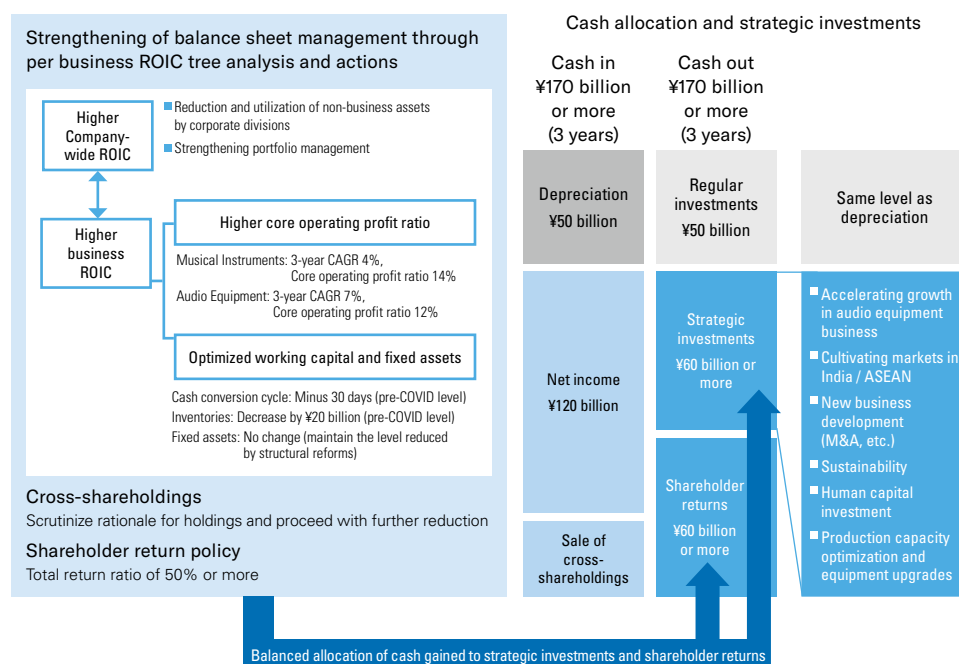
We have also begun examining ways of installing additional flexibility into our operations, such as having multiple production bases manufacture the same product.



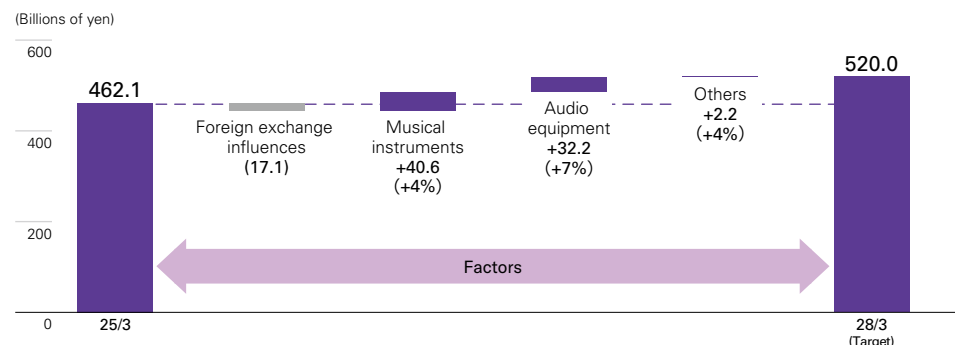
Improvement of Capital and Asset Efficiency

One of the most important financial targets of the new medium-term management plan is to achieve return on equity of 10%, which exceeds the cost of shareholders' equity. We are working toward accomplishing this target through balance sheet management based on business-specific return on invested capital tree analyses and measures.

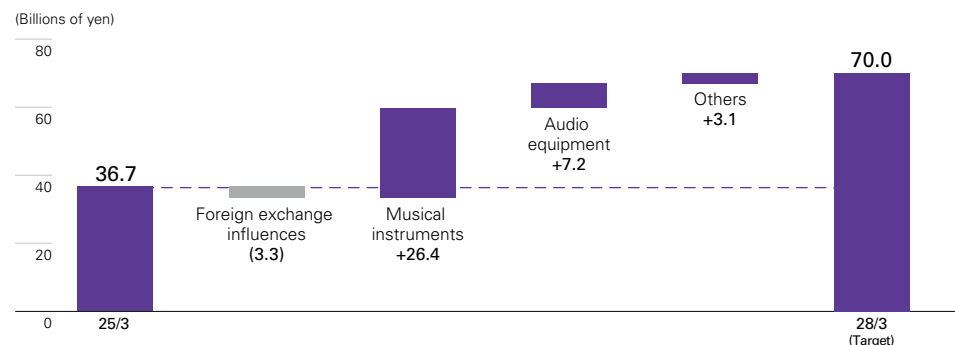
Improvements to the core operating profit ratio, meanwhile, will be supported by sales growth. Rebuild & Evolve sets targets for 3-year CAGR in sales by business of 4% for the musical instruments business and 7% for the audio equipment business, and targets for the core operating profit ratio of 14% and 12%, respectively, in the final year of the plan. In working toward these targets, we will downsize inventories to optimize working capital and non-current assets by business segment, achieve ideal levels of production equipment and other fixed assets, and shorten cash conversion cycles. Monitoring provisions are being reinforced to support the optimization of working capital and non-current assets. In this regard, key performance indicators have been defined pertaining to inventory management and receivables collection for sales divisions and raw material and work-in-progress inventory management for production divisions based on the characteristics of the musical instruments business and the audio equipment business. Moreover, we will assess the rationality of cross-shareholdings on a Companywide level in order to reduce overall holdings.



Revenue (3-year CAGR of the new medium-term management plan)



Core Operating Profit

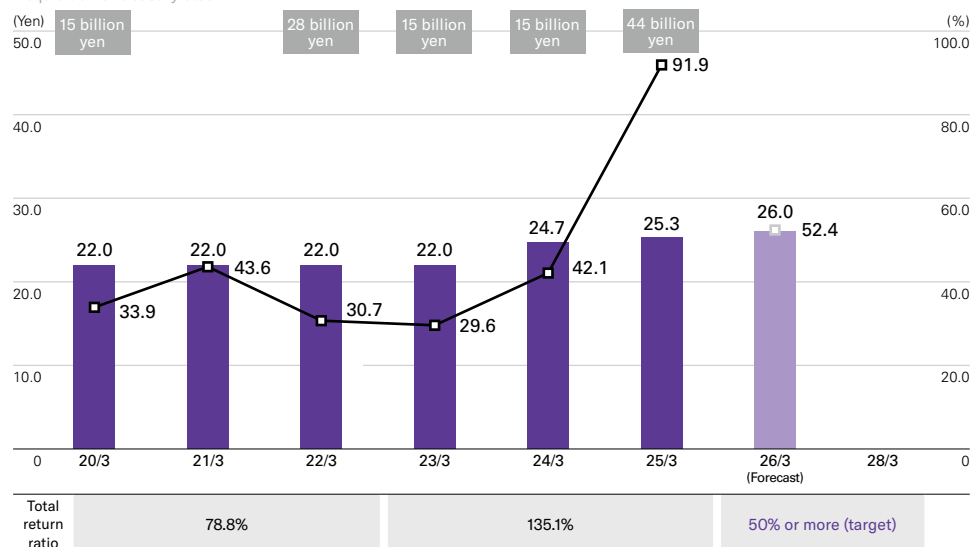


Growth Investments and Shareholder Returns

When it comes to allocating the cash generated through business growth, profitability improvements, enhanced management based on return on invested capital by business segment, and reductions to cross-shareholdings, our policy is to allocate this cash to strategic investments and shareholder returns in a balanced manner. To be precise, we project cash outflows in excess of ¥170.0 billion over the three-year period of the medium-term management plan. Around ¥50.0 billion of this amount is earmarked for regular investments. The remaining ¥120.0 billion plus will be split evenly between strategic investments and shareholder returns.

Shareholder Returns

Acquisition of treasury stock



■ Annual per-share dividend — Dividend payout ratio

Note: Effective October 1, 2024, the Company conducted a three-for-one stock split of its common stock. Annual per-share dividend is calculated as though the stock split was conducted on April 1, 2019.

The new medium-term management plan prescribes aggressive investment, in part in reflection of lessons learned from the lack of strategic growth investments under the previous medium-term management plan. For example, we will be investing in the expansion of audio equipment for professional use, automotive sound system, and other businesses anticipated to drive Yamaha's growth. At the same time, investments will be directed toward exploring emerging markets, such as India, the Philippines, and Latin America, and developing businesses in new and adjacent fields. We have also updated our approach when it comes to M&As. We used to focus primarily on acquiring manufacturers of hardware that was not already part of Yamaha's lineup. Going forward, however, we will examine, proactively and swiftly, a wider range of acquisition candidates, including companies offering services or software that can contribute to the enhancement of music experiences or greater customer success.

As for shareholder returns, we are targeting a total return ratio of 50% or more over the three-year period of the medium-term management plan, which will be pursued by flexibly issuing reliable returns while striking a balance with strategic investments. The total return ratio under the previous medium-term management plan surpassed 130%. As indicated by this figure, we do not view 50% as an upper limit, but rather choose to make decisions on returns while comprehensively assessing factors such as the operating environment and investment opportunities.

Sustainability Initiatives

One of the key policies of the previous medium-term management plan was to "set sustainability as a source of value." The new medium-term management plan maintains this policy while also putting forth indicators related to the environment, society, and culture. Environment-related indicators include the previously emphasized indicators of the ratio of sustainably sourced timber and CO₂ emissions reductions, as well as the new indicator pertaining to reductions in the use of plastic in packaging. Meanwhile, society-related indicators echo Yamaha's new management vision with targets related to the commercialization of services and products that contribute to the resolution of social issues. As for culture-related indicators, we have defined the number of activities for creating opportunities for people to connect through music as an indicator for gauging the progress of our music culture support activities. Another culture-related indicator is the number of children provided with music education opportunities through the School Project, an ongoing and uniquely Yamaha project for supporting the introduction of music education into public education curricula centered on emerging countries.

Whether through the procurement of timber or the popularization of music by means of the School Project or other initiatives, Yamaha's business activities are characterized by their deep connection to sustainability. Based on this recognition, we are endeavoring to provide investors with more thorough explanations of how our sustainability initiatives contribute to corporate value. We also look to adopt communication approaches that help raise understanding with regard to these matters among a wide range of stakeholders and broaden the scope of stakeholders with whom Yamaha's activities resonate.

In Closing

Constructive communication with shareholders and other investors is vital to the improvement of corporate value. We are thus committed to enhancing communication with stakeholders from a long-term perspective to solicit their opinions and advice with regard to our efforts to rebuild and evolve Yamaha and to help them gain a better idea of the future of Yamaha. I look forward with hope to the ongoing support and understanding of our shareholders and other investors as well as their anticipation regarding Yamaha's transformation.

SECTION 3

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MUSICAL INSTRUMENTS BUSINESS



Seiichi Yamaguchi

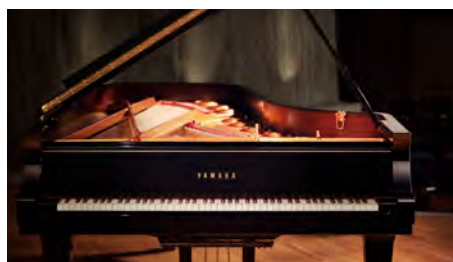
Managing Executive Officer
Executive General Manager of
Musical Instruments Business Unit

As a leader in the musical instrument industry well-versed in diverse music cultures, Yamaha will support the “Well-Being of People around the World” by providing the value of experiencing instrumental music performance.

Business Overview

The musical instruments business represents our core business. In addition to developing acoustic instruments such as pianos; wind, string, and percussion instruments; and digital musical instruments that leverage electronic technologies, we are rolling out other products such as hybrid instruments that meld both acoustic and digital technologies. This business takes advantage of the core sound and music technologies Yamaha has fostered throughout its history and the craftsmanship we have honed on the production floor as well as AI, *kansei* (sensibility) engineering, simulation, and other new technologies. Our diverse product lineups and music promotion activities are deployed through our global sales and service structures to maintain our leading global position.

Piano Business



Global market share for
Yamaha's products

Pianos: 39%*

Revenue (Fiscal 2025) **¥42.6 billion**

The piano business is one we have cultivated for over a century and can be considered a core part of the Yamaha Group's operations. The fundamental value of Yamaha's pianos is their ability to help performers produce the types of performances that they envision with technologies and quality backed by the sensibilities we have fostered throughout our long history. In addition to supporting the performances of leading pianists and other musicians, we provide piano performance experiences tailored to customers' lifestyles with hybrid products that incorporate digital technologies. Piano business subsidiary L. Bösendorfer Klavierfabrik GmbH is a piano manufacturer founded in 1828 that is loved by enthusiasts around the world.

Digital Musical Instruments Business



Global market share for
Yamaha's products

Digital pianos: 48%*
Portable keyboards: 48%*

Revenue (Fiscal 2025) **¥100.9 billion**

In the digital musical instruments business, our diverse product and service lineup spans from digital pianos and portable keyboards, for which we boast a world-leading market share, to synthesizers and Electone electronic organs. These products are built on our excellence in digital technologies. With these offerings, we seek to approach growing markets in emerging countries, accommodate the needs of various age groups, and respond to social trends arising from the emphasis on sustainability in order to continue providing customers with new experiences and inspiration.

Wind, String, and Percussion Instruments Business



Global market share for
Yamaha's products

Wind instruments: 32%*

Revenue (Fiscal 2025) **¥69.7 billion**

The wind, string, and percussion instruments business spans a wide range of products, including more than 15 varieties of wind instruments, such as trumpets and saxophones; string instruments like violins; and percussion instruments, such as acoustic and electronic drums and timpani. With this wide range of products, the Yamaha brand is able to compete for the leading position in regard to various types of musical instruments. We are also involved in the creation of various custom models that meet the needs of major artists as well as models that are played in educational settings around the world.

Guitar Business



Global market share for
Yamaha's products

Guitars: 12%*

Revenue (Fiscal 2025) **¥44.2 billion**

Since we commenced the manufacture and sale of domestic guitars in 1966, our guitars have been recognized for their craftsmanship and genuine quality, which has helped us expand global sales of our robust product lineup, including acoustic guitars, electric guitars, and bass guitars as well as amps, effectors, and other peripherals. Group operating company Yamaha Guitar Group, Inc. possesses numerous U.S. brands and has formed relationships with major music artists based in the United States as it advances its R&D and global marketing activities.

* Fiscal 2025, monetary value basis, estimates by Yamaha Corporation

Competitive Edge

Combination of Acoustic and Digital Technologies

In addition to its acoustic instruments, Yamaha also offers unique digital musical instruments that incorporate digital technologies, such as its SILENT and TransAcoustic series products, to propose a wider breadth of ways to enjoy instruments. With our acoustic instruments, we continue to build upon the intrinsic value of musical instruments. Meanwhile, we are developing digital instruments that incorporate the latest technologies created through our R&D activities. This constitutes our approach toward generating new value.

Vast Lineup Accommodating Diverse Needs

Yamaha offers a vast lineup that can accommodate the diverse needs of individuals spanning from fledgling players to professional musicians. For example, our digital musical instruments incorporate functions matched to the local musical traditions of emerging countries. In regard to guitars, we provide multiple brands as well as peripherals to propose comprehensive solutions to customer needs. These approaches have enabled Yamaha to maintain its No. 1 share of the global musical instruments market (according to estimates by Yamaha Corporation).

Competitors

■ Pianos	Steinway & Sons, Guangzhou Pearl River Piano Group Co., Ltd., Kawai Musical Instruments Manufacturing Co., Ltd.
■ Digital Music Instruments	Kawai Musical Instruments Manufacturing Co., Ltd., Roland Corporation, Casio Computer Co., Ltd., KORG INC.
■ Wind, String, and Percussion Instruments	Conn-Selmer, Inc., Buffet Crampon S.A.S., Jupiter Band Instruments, Inc., Eastman Strings Co., Ltd.
■ Guitars	Fender Musical Instruments Corporation, Gibson Brands, Inc., Taylor Guitars, C.F. Martin & Co., Inc.

Review of Fiscal 2025

In fiscal 2025, overall revenue in the musical instruments business was down, despite recovery in the sales of digital pianos, due to ongoing stagnation of the Chinese market. Piano revenue showed a substantial decline as a result of this prolonged stagnation as well as weak global demand. Yamaha responded to this situation by revising its demand forecasts, leading it to implement structural reforms entailing the closure of two factories in Indonesia and the consolidation of production into bases in Japan and China. Revenue for digital musical instruments, meanwhile, was relatively unchanged year on year following recovery in sales and market shares for digital pianos. For wind, string, and percussion instruments, demand from individual customers remained strong, although revenue declined due to the discontinuation of financial support used for purchasing instruments in the North American market. In regard to guitars, sales of peripherals struggled, but ongoing favorable performance for electric guitars in China and other parts of Asia resulted in overall guitar revenue being relatively unchanged year on year. As for Yamaha Music Connect operations, we sought to expand services that provide the three values of learning, creativity, and community—an example of which would be our Extrack instrumental music performance support app—in our quest to explore new ways of enjoying sound and music.

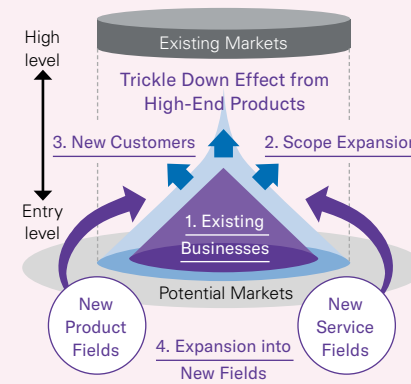
Business Strategies of Rebuild & Evolve

Business Vision

Pursue rapid improvements in profitability to make swift contributions to growth in the global musical-instrument-playing population and steady expansion of the musical instrument market

Priority Strategies

- 1 Improvement of profitability in existing businesses
- 2 Expansion of scope of musical instruments business
- 3 Approach toward new musical instrument customers
- 4 Entry into new product and service fields



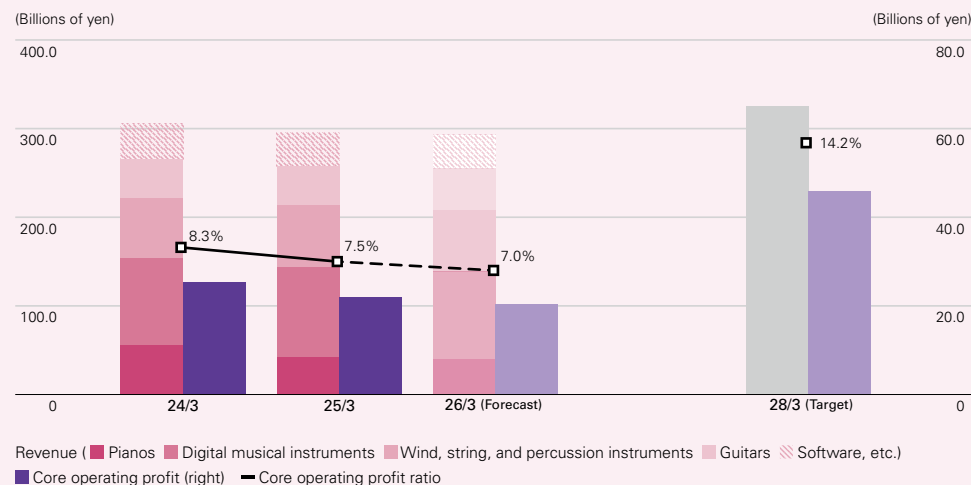
Fiscal 2028 Targets

Revenue	Core Operating Profit
---------	-----------------------

¥325.0 billion

¥46.0 billion

Revenue by Major Products / Core Operating Profit / Core Operating Profit Ratio



Piano Business 

Market Analysis

The Chinese market is anticipated to see a certain degree of demand centered on music professionals, but changes in government education policies signal that we cannot anticipate recovery in demand among introductory-level learners. Outside of China, demand has been consistently bearish due to inflation and other factors, but a gradual recovery in economic conditions is anticipated going forward.

Opportunities and Risks

Opportunities	Risks
■ Discontinuation of operations by small and medium-sized piano manufacturers ■ Development of products built on refined technologies and sensibilities	■ Cost increases and economic downturn stemming from inflation ■ Inconsistent supply of timber ■ Intensification of share competition due to market downturn

Business Vision of Rebuild & Evolve

Contribution to development of piano culture based on trust of wide-ranging users as No. 1 piano brand

Priority Themes and Measures	
Reorganization of piano production bases	■ Transference of production of certain models from Indonesia to Japan and China ■ Reinforcement of piano production structure in Japan
Shift toward high-value-added products	■ Enhancement of value proposition for intermediate-level market in China ■ Launch of new high-value-added products
Strengthening of position in premium piano market	■ Enhancement of relationships with pianists ■ Support for music universities and international piano competitions

Initiative Policies of Rebuild & Evolve

Under the new medium-term management plan, we will move forward with plans to transfer production of certain models as part of production base reforms with the goal of improving profitability. Sales measures will include the strategic launches of high-value-added products built using Yamaha's exceptional product development capabilities and efforts for growing sales of these products. Particular attention will be directed toward promoting sales of high-value-added products in the Chinese market by stimulating demand for products with silent functions and improving our value proposition for specialists. At the same time, we will reorganize overseas artist service bases in premium piano operations as we seek to heighten our brand presence and sales by strengthening support systems for pianists and other professionals.

Digital Musical Instruments Business 

Market Analysis

The glut of inventories at retailers has continued following the dissipation of the special demand trend seen amid the COVID-19 pandemic. However, this situation is improving, and we anticipate a gradual recovery in regions other than China going forward.

Opportunities and Risks

Opportunities	Risks
■ Improved product development capabilities supported by advancements in digital and AI technologies ■ Expansion of sales networks and e-commerce venues in emerging countries	■ Cost increases and economic downturn stemming from inflation ■ Potential for saturation of e-commerce brands utilizing OEMs

Business Vision of Rebuild & Evolve

Deployment of services that support customer success to improve customer lifetime value and generate ongoing earnings contributions

Priority Themes and Measures	
Maximization of experiential value by combining products and services	■ Development of tone and accompaniment content for keyboard users ■ Launch of instrumental music performance support app
Enhancement of product appeal and response to diverse needs	■ Strengthening of e-commerce presence for entry-level models ■ Pursuit of greater piano performance and accommodation of musical expressions from cultures around the world in mid-range and high-end models ■ Establishment of leading position for synthesizers

Initiative Policies of Rebuild & Evolve

Initiatives under the new medium-term management plan will include transitioning away from our prior business model focused on product sales to maximize experiential value by pairing products with services and other offerings in order to support long-term enjoyability and convenience in instrumental music performance. Product measures will be focused on enhancing the appeal of products by combining Yamaha's technologies and sensibilities. We already have a strong leading share for digital pianos, but we will look to further heighten this share by bolstering the performance of keyboards, sound sources, and other elements of pianos. Meanwhile, we plan to launch a content marketplace for portable keyboards and supply a variety of content to respond to the diverse music needs seen around the world. We also look to grow the population of musicians playing keyboard instruments using more-affordably-priced models to approach the markets of emerging countries. In regard to synthesizers, the new products launched under the previous medium-term management plan have helped increase our market presence. Building upon this success, we will enhance our core model lineup to promote the joy of music production and thereby achieve a No. 1 brand position.

Wind, String, and Percussion Instruments Business

Market Analysis

Although the special demand trend stimulated by the government financial support offered in the United States has concluded, demand in North America is expected to remain at a level higher than that seen prior to the COVID-19 pandemic. Reliable demand is anticipated, centered on developed countries. At the same time, however, competition is projected for digital musical instruments (digital saxophones, digital violins/cellos/bass, electronic drums) due to the dissipation of demand stimulated by people staying home during the pandemic.

Opportunities and Risks

Opportunities	Risks
■ Growth in musical-instrument-playing population due to popularization of music education ■ Improvement to product development capabilities by pursuing fundamental values of musical instruments	■ Material cost increases and economic downturn stemming from inflation

Business Vision of Rebuild & Evolve

Development of foundations for business growth and improvement of brand value to lead the industry as a brand comprehensively offering wind, string, and percussion instruments

Priority Themes and Measures	
Enhancement of value proposition for individual customers	■ Introduction of flagship models to heighten brand power and grow market share ■ Promotion of sales of mid-range and high-end models through use of relationships with artists ■ Expansion of accessory lineup
Response to demand in emerging countries	■ Development of global technical service systems ■ Enhancement of efforts to win competitive bids ■ Fostering of musical instrument instructor communities

Initiative Policies of Rebuild & Evolve

Under the new medium-term management plan, Yamaha will utilize the strengths born out of its products in a wide range of genres and its ability to cater to diverse needs to build foundations for supporting ongoing growth and improve its brand value. Efforts to enhance our value proposition for individual customers will include the introduction of flagship models in various product categories to heighten brand power and the promotion of sales of mid-range and high-end models through the use of our relationships with artists to grow our market share. At the same time, we will support dealers and sales company staff in heightening their specialized skills in order to supply customers with distinctively Yamaha experiential value. Another focus of the plan will be responding to demand in emerging countries. To this end, we will dispatch head office technicians to such countries to bolster local technical service capabilities. We thereby aim to enhance our ability to win competitive bids and consequently grow sales. Furthermore, Yamaha will seek to foster the musical instrument instructor communities while contributing to the cultivation of instructors through seminars and other means. The goal of these efforts will be to drive the development of music culture and the growth of the musical instrument market.

Guitar Business

Market Analysis

U.S. manufacturers dominate a large share of the market for mid-range to high-end products, whereas Chinese manufacturers and store brands have a strong presence in the market for low-priced items. This situation is leading to more intensified competition.

Opportunities and Risks

Opportunities	Risks
■ Diversification of ways to enjoy guitar performances ■ Growth in musical-instrument-playing population in emerging countries	■ Cost increases and economic downturn stemming from inflation ■ Improved quality of store brands through use of OEMs

Business Vision of Rebuild & Evolve

Establishment of position as No. 1 guitar manufacturer capable of accommodating diverse customers and regions through improvements in profitability and expanded sales of mid-range to high-end products

Priority Themes and Measures	
Reformation of business structure	■ Enhancement of guitar peripheral earnings structures ■ Improvement of production efficiency through revision of production systems
Promotion of sales and enhancement of presence in mid-range to high-end product market	■ Launch of high-end models and products based on new value ■ Proposal of solutions utilizing strengths of possessing multiple brands ■ Advancement of marketing measures out of U.S. bases ■ Reinforcement of relationships with artists

Initiative Policies of Rebuild & Evolve

Our approach under the new medium-term management plan will entail pursuing swift improvements to profitability, following the declines seen under the previous plan, and then expanding sales of mid-range to high-end products to grow our guitar business. Measures for improving profitability will include utilizing the strength of Yamaha's integrated production structure to improve production efficiency, enhancing earnings structures for guitar peripherals, and implementing other manufacturing reforms to lower costs. Meanwhile, we will seek to expand sales of mid-range to high-end products by launching unique new products that resonate with customers who are deeply knowledgeable about guitars. Sales will be promoted by soliciting the functional value of our products while also utilizing relationships with artists to advertise the emotional value we offer in response to the diverse senses of value found around the world. These efforts are anticipated to drive the growth of our share in the markets we serve. In addition, we will utilize our U.S. operating bases to proactively deploy global marketing measures that take advantage of our multiple brands to enhance Yamaha's market presence.

Production Strategies

Musical Instruments Business Production Structure

Yamaha began installing production functions overseas early in its history. Today, we have production-related bases in Japan as well as bases in China, Indonesia, and India. Under the previous medium-term management plan, Yamaha began shifting away from its prior focus on expanding production to adopt an approach of building a production structure that can produce the ideal volume of products to achieve resilience against fluctuations in demand. This decision was prompted by demand fluctuations, geopolitical risks, and other operating environment changes. We are currently in the process of revising our production functions in Japan to combine technologies, techniques, and development in order to bolster Yamaha's product creation capabilities. A marriage of Yamaha's traditional musical instrument craftsmanship and the latest technologies, our production structure continues to be a cardinal strength of the Company. At the same time, we are diligent in promoting risk management measures to address geopolitical, natural disaster, and other risks. We are also optimizing parts supply and taking other measures to allocate production in a manner that minimizes the impacts of operating environment changes.

Initiative Policies of Rebuild & Evolve

The period of the new medium-term management plan will be used as a time for rebuilding Yamaha's production capabilities in a manner that is focused on production sites so that these functions can better make contributions to earnings. Our people are core to our production activities as the skills of professional craftspeople are imperative to the production of pianos, wind instruments, and other acoustic instruments. Accordingly, Yamaha is developing frameworks for transmitting these skills to other employees and is implementing education and training programs to heighten employees' specialized capabilities. At the same time, we are investing in addressing our aging production infrastructure in Japan to ensure that we can offer a safe and secure workplace. Furthermore, methods of optimizing our production structure in terms of scale and functions are being explored as we bolster relationships with suppliers to facilitate stable procurement. Representatives of the procurement function are also playing a greater role in product design in an effort to lower production costs. The structural reforms implemented in relation to pianos under the previous medium-term management plan are anticipated to generate steady results going forward.

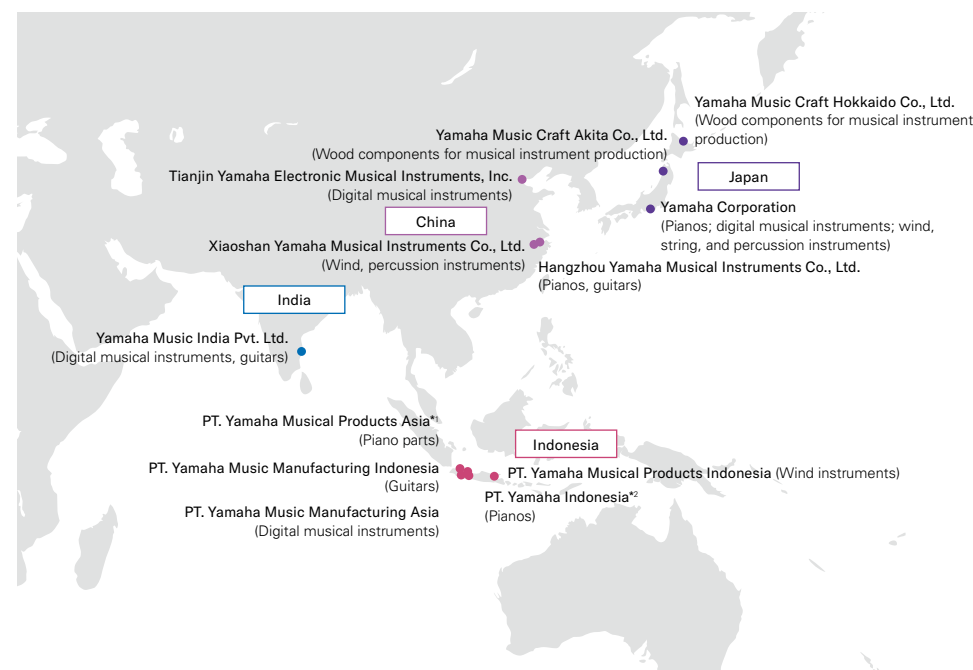
For wind instruments, we are revising the locations at which certain products are manufactured and examining other measures for making our production structure more suited to Yamaha's business. Capital investments will be conducted as necessary to this end. Measures pertaining to guitars may include those aimed at reducing costs, improving profitability of peripherals, and utilizing external resources as appropriate in response to demand fluctuations.



Toshiaki Goto

Executive Officer
Deputy Executive General Manager of Musical Instruments Business Unit, Deputy Executive General Manager of Audio Products Business Unit and Senior General Manager of Musical Instruments Production Division in Musical Instruments Business Unit

Major Musical Instrument Production Bases



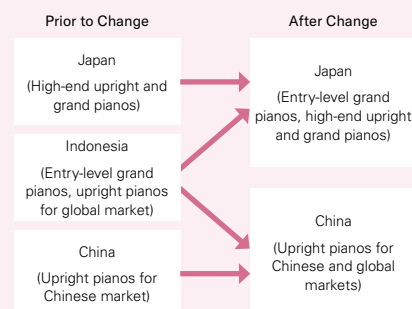
*1 Production at PT. Yamaha Musical Products Asia was discontinued in March 2025.

*2 Production at PT. Yamaha Indonesia is scheduled to be discontinued by around December 2025.

Acoustic Piano Production Structural Reforms

China has been a major driver behind the growth of the global market for pianos, but this market has recently been losing momentum. In light of this situation, Yamaha revised its future outlook and strategies and implemented reforms to its piano production structure during the period of the previous medium-term management plan. These reforms were geared toward developing a structure that matched the level of production projected to be required going forward. Previously, Yamaha had produced pianos in Japan, China, and Indonesia. As part of the reforms, however, we plan to close our two Indonesian piano factories and transfer their functions to Japan and China. The decision to maintain our production bases in China was based on how robust our facilities in this country were, how maintaining them would not require significant new investment, and how we can anticipate growth in the Chinese market, despite the dissipation of education-related demand, due to demand from casual users and music universities.

Piano Production Structural Reforms



Sales Strategies

Musical Instrument Sales Activities

Yamaha has established a global sales network through which it advances sales activities that are rooted in the respective regions. Sales in mature countries and other key markets are performed through the sales networks of sales subsidiaries. In emerging markets, we approach customers through our authorized distributors. Through these sales networks, we ascertain local music cultures and customer needs, and promote sales strategies in accordance with local characteristics. Meanwhile, to develop even more attractive products and services, we are expanding and enhancing our locations for forming relationships with artists around the world. Our extensive network with the world's top artists and music educational institutions is another one of our major strengths.

Music Popularization Activities

Yamaha is promoting the popularization of music in countries around the world. Since we began offering music classes in 1954, we have gone on to extend the availability of Yamaha Music School, the successor to those music classes, to include more than 40 countries and regions around the world. In addition, the School Project was launched in 2015 with the goal of promoting music education and increasing the musical-instrument-playing population in emerging countries. As of March 31, 2025, this project was being advanced in 10 countries. Increases to the musical-instrument-playing population in emerging countries contribute to the growth of musical instrument markets and are expected to stimulate demand over the medium to long term and to help drive the future growth of Yamaha's sales. We will continue to engage in such activities going forward with the goal of expanding Yamaha's customer base.

Status of Music Popularization Activities (As of March 2025)

Music Schools	Number of Venues (Schools)	Number of Students*
Japan (total for children and adults)	2,100	299,000
Overseas (total from over 40 countries and regions)	1,150	154,600

*1 Number of students who were able to receive lessons in fiscal 2025

School Project**

Aggregate number of participants as of March 31, 2025	4,250,000
Target for aggregate number of participants on March 31, 2028	7,000,000

*2 Project that provides opportunities for children to play musical instruments as part of public education with the aim of spreading music education and increasing the musical-instrument-playing population

Initiative Policies of Rebuild & Evolve

Yamaha will be looking to accelerate its growth in India and other emerging countries under the new medium-term management plan. At the same time, we will seek to improve business earnings in Japan, where we have undertaken a reorganization of sales subsidiaries, while also transforming our business portfolio for the Chinese market in pursuit of stable growth. Furthermore, the Company will develop e-commerce, direct sales, and other sales channels suited to the customers and regions it serves while also stimulating musical instrument demand through Yamaha Music School and School Project activities. In this manner, business growth initiatives will be implemented in terms of both products and services.



Masato Oshiki

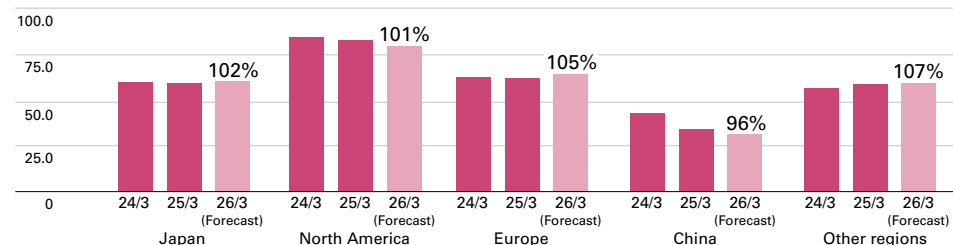
Managing Executive Officer
Deputy Executive General Manager of Musical Instruments Business Unit and Deputy Executive General Manager of Audio Products Business Unit

Musical Instrument Market Conditions by Region

Japan	In the mature market of Japan, Yamaha is expanding its customer base by means of music popularization activities and value proposals for specific product categories. We also aim to invigorate the domestic market through support activities for school bands. At the same time, efforts are being made to reform profit structures by promoting sales of high-value-added products and revising product prices to more appropriately reflect their value.
North America	The special demand trend for wind, string, and percussion instruments stimulated by the financial support offered by the U.S. government has come to an end. Nevertheless, the market remains energized, and consumer demand is consistent. Going forward, we will be maintaining a focus on the guitar market, which shows substantial room for growth.
Europe	A temporary decline in sales was incurred in fiscal 2025 due to the renovation of core systems undertaken in the European market. Regardless, there has been no change in the demand trends seen in this market. Taking advantage of the large number of musical instrument specialty shops that is a characteristic of the European market, we plan to differentiate our sales channels by price range to heighten our sales capabilities.
China	Sales for keyboard instruments in the Chinese market have declined due to a change in government education policy. In response, Yamaha has reorganized its business portfolio and is preparing to grow guitar; wind, string, and percussion instrument; and other musical instrument operations in this market going forward. Furthermore, we are expanding the range of musical classes we offer at senior education facilities and taking other steps to exploit new demand.
Other regions	Ongoing growth is being seen in India, Latin America, and the ASEAN region, and we have made smooth progress in the Philippines, where we set up a sales company. Our mainstay offerings in these markets include portable keyboards, guitars, and other more-affordably-priced products that are easier for beginners to pick up. In addition, we are working to stimulate musical instrument demand in conjunction with Yamaha Music School and School Project activities in order to accelerate growth.

Revenue Growth by Region (Year-on-year change excluding the impact of exchange rates)

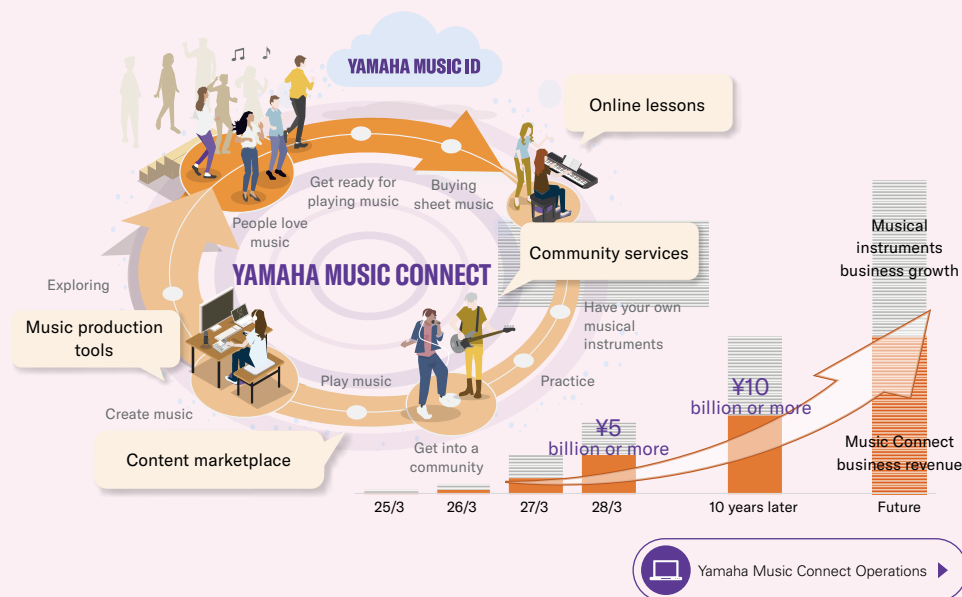
(Billions of yen)



TOPICS Yamaha Music Connect

Yamaha Music Connect Initiatives

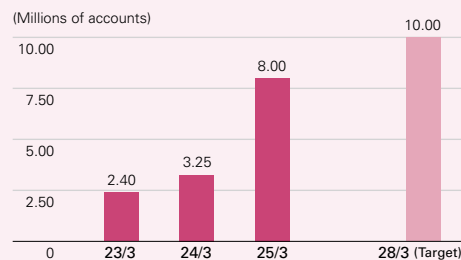
Shaped by the concept of “Be one with music,” Yamaha Music Connect is a platform for supplying diverse services based on the three values of learning, creativity, and community. We launched this platform during the period of the previous medium-term management plan, and have since continued to provide various digital services and apps through the platform. Yamaha is also teaming up with partners to offer musical instrument learning services and sheet music services.



Yamaha Music ID

Yamaha Music ID is a personal identification service that allows customers to access all of Yamaha's various services through a single account. As of March 31, 2025, there were approximately 8 million registered Yamaha Music ID users around the world. This service not only heightens user convenience but also enables us to use data to provide customers with products and services that match their individual needs.

Number of Yamaha Music ID Accounts



Initiative Policies of Rebuild & Evolve

Yamaha Music Connect initiatives under the new medium-term management plan will include enhancing our lineup of online lessons, content marketplaces, and other services. In regard to online lessons, we are utilizing Yamaha Music School assets to commercialize lessons in developed countries and other markets. Meanwhile, we are developing content marketplaces for supplying digital musical instrument tone and accompaniment data to users around the world in order to improve convenience and promote sales of musical instruments. At the same time, we will introduce music performance community services founded on collaboration between musical instrument users to deliver the joy of connecting with others. Another initiative will be using Yamaha Music ID data to design services optimized for individual users in order to contribute to the growth of the music-loving population.

Extrack Instrumental Music Performance Support App

Extrack is an instrumental music performance support app launched in March 2025. This app is designed to address issues faced by music performers such as the dull and repetitive nature of practicing alone and the inability to find others to play with. It accomplishes this by providing enjoyable and comfortable performance experiences that offer a sense of immersion akin to playing together with other members of a band.

Using the technologies fostered through Yamaha's decades of research and development, Extrack allows users to play audio of the song they wish to perform while adjusting the volume of each instrument's part. Users may also display chords or alter the tempo and key.

Moreover, we called upon the experience of development team members who perform instrumental music as a hobby to make the app more intuitive and fun from the perspective of performers. We thereby sought to create an app that proposes new ways of enjoying performances and that would be accepted without resistance even by first-time users of the app.

Going forward, Yamaha will continue to propose new ways of enjoying music and help create new experiential value.



Kenta Ohnishi (left) and
Kazuki Maeda (right)

Service Business Development Group 2
Music Connect Division
Musical Instruments Business Unit



AUDIO EQUIPMENT BUSINESS



Nobukazu Toba

Executive Officer
Executive General Manager of Audio Products Business Unit

Yamaha is committed to growing the audio equipment business by supplying a wide range of customers, spanning from consumers to businesses and even automobile manufacturers, with products built on our masterful technologies pertaining to sound and music. As we rebuild the audio equipment business in response to market changes, we will broaden the domain of this business to include new growth markets.

Business Overview

The audio equipment business is one of the business pillars of Yamaha, a company centered on sound and music. In this business, we offer audio equipment for consumer use including conventional home audio products as well as production, streaming, and PA equipment for creators. As for audio equipment for professional use, we provide network equipment as well as acoustics solutions for various applications, such as concerts, events, and remote meetings. We also supply audio equipment for mobility use such as automotive sound systems and emergency communication solutions.

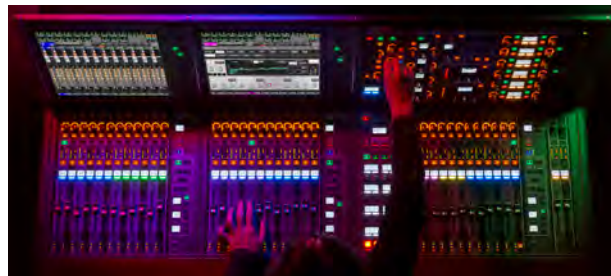
Audio Equipment for Consumer Use



Revenue (Fiscal 2025) **¥44.9 billion**

Yamaha supplies conventional home audio products, such as AV receivers and HiFi speakers, as well as PA, music production, and streaming equipment. With this diverse lineup, we are able to propose a variety of ways to enjoy music tailored to individual user cases. Our home audio products excel at accurately communicating to listeners the passion artists inject into their music and the aesthetics creators seek to present to move and inspire with this uncompromised audio. As for PA, music production, and streaming equipment, we propose both hardware and software to offer solutions to various needs.

Audio Equipment for Professional Use



Revenue (Fiscal 2025) **¥72.1 billion**

Yamaha's various professional audio equipment products can be found at prestigious concert sites and halls as well as commercial facilities around the world. We also provide conferencing systems for realizing comfortable remote communication as well as network equipment that is used in various corporate networks and stores. Supplying our installation know-how together with hardware, we are able to propose comprehensive solutions for a wide variety of markets that combine Yamaha brand products with those of other Group companies.

Audio Equipment for Mobility Use



Revenue (Fiscal 2025) **¥18.8 billion**

Yamaha supplies the ever-changing automotive market with automotive sound systems that create the ideal acoustics environment based on the concept for each vehicle. We also offer emergency communication solutions. Since the 2020 launch of our automotive audio systems, these products have continued to drive the growth of our business. To date, Yamaha systems have been used in the vehicles of numerous Japanese and Chinese automobile manufacturers. Meanwhile, our emergency communication solutions are matched to the laws of the respective markets to provide noise-free communication in the event of an accident.

Competitive Edge

Union of Acoustic and Network Technologies

Yamaha boasts strengths formed out of the union of its network technologies and the acoustic technologies fostered in its musical instruments and audio equipment businesses that enable it to accurately communicate the intent of creators to listeners. These technologies make it possible for us to differentiate our products through unparalleled levels of trust and reliability.

Wide-Ranging Product and Solutions Lineups

Yamaha has amassed a wide-ranging lineup of products covering areas encompassing both the input and output of sound. These products can be used to accommodate various scales and budget needs. We also have developed frameworks that enable us to provide solutions combining hardware with our sound production expertise and equipment management support.

Competitors

■ Audio Equipment for Consumer Use	Denon, JBL, MACKIE, GENELEC
■ Audio Equipment for Professional Use	JBL, Electro-Voice, DiGiCo, ALLEN & HEATH, QSC, Biamp
■ Audio Equipment for Mobility Use	JBL, BOSE

Review of Fiscal 2025

In fiscal 2025, overall revenue was up in the audio equipment business due to impressive sales of audio equipment for professional use. However, revenue for audio equipment for consumer use declined as a result of the contraction of home audio products sales. Nevertheless, we did see smooth growth in sales of compact PA equipment, monitor speakers, and Steinberg music production software among our music production and streaming equipment products. Audio equipment for professional use drove the growth of the entire audio equipment business segment because of a substantial increase in sales of digital mixers supported by a brisk entertainment market, and strong demand continues to be seen for mixers and speakers. Meanwhile, conferencing systems sales struggled amid intensified competition, but increases were seen in sales of ceiling speakers and other products for the hospitality market. Sales were up for network equipment as a result of robust IT investment and increased success in winning competition bids. As for audio equipment for mobility use, use of Yamaha's automotive sound systems continued to grow, contributing to higher sales. As of March 31, 2025, our automotive sound systems have been used in 17 vehicle models produced by six automobile manufacturers. In regard to emergency communication solutions, we completed the development of sales systems in China.

Business Strategies of Rebuild & Evolve

Business Vision

Development of an organizational structure specialized for audio equipment businesses while also being capable of accommodating industry needs to drive business growth

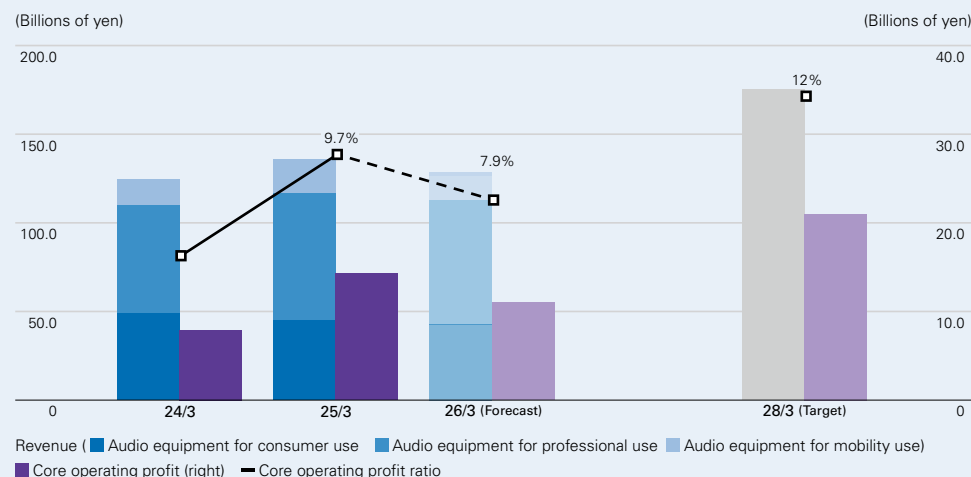
Priority Strategies

- 1 Improvement of profitability of home audio products (audio equipment for consumer use)
- 2 Growth of business through expanded speaker sales (audio equipment for professional use)
- 3 Expansion of number of automobile manufacturers using Yamaha products (audio equipment for mobility use)

Fiscal 2028 Targets



Revenue by Major Products / Core Operating Profit / Core Operating Profit Ratio



Note: Effective April 1, 2025, the electronic devices business was renamed the audio equipment for mobility use business and transferred from the others segment to the audio equipment segment. Figures for past fiscal years have been restated to reflect this change.

Business of Audio Equipment for Consumer Use 

Market Analysis

The home audio market continues to falter due to intensified price competition, particularly in more-affordably-priced products. However, sales of HiFi audio and other products for enthusiasts are relatively stable, while music production equipment enjoys firm sales as streaming by creators becomes increasingly more mainstream in the individual and small-scale concert streaming market.

Opportunities and Risks

Opportunities	Risks
- Higher sound quality and more immersive sound for movies, video games, music, etc. - Popularization of new ways of enjoying music production due to AI technology advancements	Prolongation of poor consumer confidence due to changing social trends

Business Vision of Rebuild & Evolve

Establishment of presence as indispensable player in audio equipment fields ranging from home audio to music production and streaming equipment that largely cater to enthusiasts

Priority Themes and Measures	
Improvement of profitability for home audio products	- Reinvention of lineup of products and enhancement of marketing activities targeting enthusiasts - Improvement of efficiency in development, production, and sales
Support for success of individual creators	- Launch of products and software with enhanced streaming functions - Reinforcement of pre- and after-sales support systems

Initiative Policies of Rebuild & Evolve

Yamaha revised its home audio product portfolio under the previous medium-term management plan to bolster its lineup of high-value-added products for enthusiasts. Going forward, we will redevelop our lineup centered on AV receivers and HiFi components, for which Yamaha has a strong position in comparison to its competitors, and utilize our shared development platforms, which are used for audio equipment for professional use, to improve development efficiency.

In the music production and distribution field, Yamaha will complement its lineup of long-loved monitor speakers and mixers with launches of new products and software with enhanced streaming functions. By strengthening our frameworks for supporting production and streaming, we aim to grow sales as the brand that creators choose.

Business of Audio Equipment for Professional Use 

Market Analysis

Conditions in the entertainment market, where Yamaha benefited from strong sales of mixers, are expected to remain firm going forward. Investment is tapering in the office market, but we anticipate consistently robust demand for high-sound-quality offerings and subsequently growth in the hospitality market. Meanwhile, the network equipment market is expected to continue to see solid conditions due to digital transformation investments and the associated efforts to achieve higher network speeds.

Opportunities and Risks

Opportunities	Risks
- Ongoing growth of experience-oriented consumption - More widespread understanding of the importance of sound quality in communication - Rapid market changes and IT personnel shortages resulted from advancements in cloud and IT technologies	Stagnant capital investment due to unstable international conditions and economic recession

Business Vision of Rebuild & Evolve

Improvement of specialized capabilities in specific fields to establish position as comprehensive solutions provider

Priority Themes and Measures	
Growth of speaker operations	- Expansion of equipment bundle sales through enhanced connectivity between mixers and speakers - Augmentation of speaker production capacity - Development of products through coordination with NEXO S.A.
Expansion of sales of hospitality-related and conferencing systems	Proposal of solutions for improving system integration workflow
Provision of optimal solutions for network market	- Development of frameworks for creating customer value together with sales partners - Enhancement of cloud-based comprehensive network management services

Initiative Policies of Rebuild & Evolve

Yamaha is reorganizing its business frameworks to better tailor them to the characteristics of its business of audio equipment for professional use. Favorable sales of new mixer products have continued in the entertainment market since the period of the previous medium-term management plan, and we will look to grow speaker sales in this market going forward. At the same time, efforts are being made to differentiate our products by enhancing connectivity between mixers and speakers to contribute to improvements in user workflows. Meanwhile, we will provide software that supports improvements in system integration workflows in relation to hospitality-related and meeting-use audio equipment to earn customers' favor by simplifying system design, equipment configuration and adjustment, and associated management processes. Yamaha boasts a large share of the domestic market for network equipment. In this area, we will enhance our cloud-based comprehensive network management services and promote coordination with channel partners to supply ideal solutions in response to the needs of cultural and educational institutions, medical and healthcare institutions, and other users.

Business of Audio Equipment for Mobility Use



Market Analysis

Demand for highly functional audio equipment is growing in China amid the ongoing expansion of this country's automotive audio market, in which Chinese manufacturers are rapidly heightening their shares. Meanwhile, we anticipate increased business opportunities for high-performance voice solutions following regulatory tightening in Europe.

Opportunities and Risks

Opportunities	Risks
■ Evolution of vehicle interiors to provide greater comfort and allow for enjoyment of diverse forms of audio entertainment ■ Regulatory tightening making emergency reporting systems in vehicles mandatory	■ Demand fluctuations due to slowdown in Chinese market ■ Delays in product launches due to postponement of regulation enactment

Business Vision of Rebuild & Evolve

Development of automotive sound systems into growth pillar to cement position as co-creation partner for improving in-vehicle experiential value

Priority Themes and Measures	
Expansion of customer base through provision of new value and high sound quality via flexible methods	■ Augmentation of Music:AI functionality ■ Proposal of high-quality speakers and amps
Expansion of adoption of voice solutions	■ Strengthening of support for project for which orders have been received ■ Acceleration of sales promotion activities in preparation for regulatory reforms in Chinese market

Initiative Policies of Rebuild & Evolve

Although a temporary decline in sales of automotive sound systems is anticipated due to lower sales in China, the new medium-term management plan projects strong growth for these products over its three-year period. During this period, we will seek to expand the use of Yamaha systems by soliciting the distinctive and advanced value of offerings such as Music:AI. Furthermore, we will move forward with the development of new technologies to live up to customer expectations amid rising needs for higher sound quality and new experiences. For emergency communication solutions, we will promote the adoption of Yamaha products for new vehicles in Europe and other regions where regulatory reforms are scheduled. We are also accelerating sales promotion activities to encourage adoption in China, where imminent regulatory reform is scheduled.

TOPICS

Introduction of NEXO Sound System in U.K.'s Principality Stadium

France-based Yamaha Group company NEXO S.A. manufactures and sells commercial-use loudspeakers and has earned a strong reputation with regard to speakers used in settings requiring superb sound quality, such as large concert venues or performing arts theaters. In 2024, total sound and lighting service provider PAI Group installed a NEXO sound system at the U.K.'s Principality Stadium. Home to the Wales national rugby union team, Principality Stadium can seat 74,500 and is one of only two stadiums in Europe to have a retractable roof, making this sports stadium capable of accommodating events in any weather conditions. NEXO was chosen as a partner for the renovation of the stadium's sound system out of consideration for its cutting-edge systems as well as the high appraisal of its quality, prices, and global track record. This project presented challenges in regard to how to upgrade the system without needing to alter the existing cable infrastructure. NEXO was able to overcome this challenge by installing a testing apparatus at its head office for use in confirming system functions together with PAI Group prior to introduction. NEXO's involvement did not end with the sale of the system, however, as this company also continued to provide follow-up throughout the installation process. This reliable support is one of the strengths underpinning NEXO's high reputation.



Christophe Girres

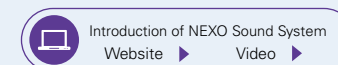
Engineering Support Division
NEXO S.A.

The introduction of the NEXO sound system has endowed the stadium with the audio equipment needed to accommodate various world-class events ranging from major concerts to sporting events, all while ensuring the safety of spectators. The clear yet powerful sound delivered to all spectators with the utmost sound quality is sure to make experiences at the stadium all the more valuable. A competitive advantage of NEXO sound systems is the ability to deliver uniform acoustic experiences to everyone in the stadium, whether they are in the backrow seats or in the lounge. These systems can be found in an increasingly wide range of stadiums, including Paris' Stade de France and Dublin's Croke Park. Going forward, NEXO will continue to supply its distinctive sound solutions to the brisk entertainment market to contribute to the growth of the Yamaha Group's professional audio equipment business.



NEXO S.A.

NEXO has maintained its headquarters in Plailly, France, since its establishment in 1979 and has consistently created revolutionary sound solutions throughout its history. This company was welcomed into the Yamaha Group in 2008 and has continued to contribute to the growth of the Group's professional audio equipment business ever since. Moreover, NEXO has established a proprietary global partner network encompassing more than 90 countries across the globe, which it uses to export its products through a network of distributors and others.



Production Strategies

Audio Equipment Business Production Structure

Yamaha formulates production strategies based on the characteristics of its audio equipment business that clearly identify the differing advantages of using in-house production and outsourcing. Under these strategies, production of high-value-added products is consolidated at Yamaha factories, while outside resources are used to the fullest extent for general products. We thereby seek to swiftly launch new products to expand our product lineup and support business growth.

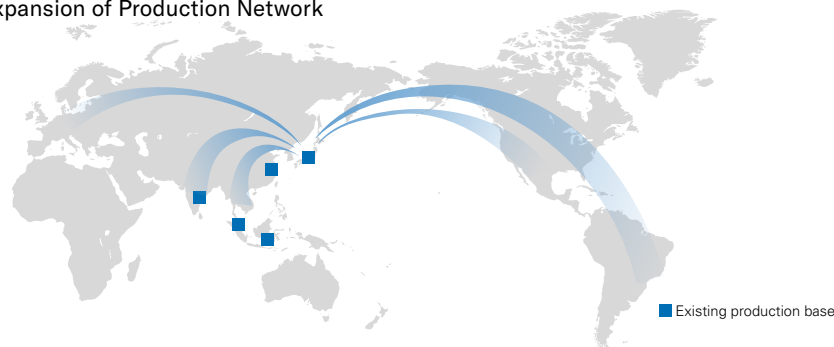
Key Points of Strategies

Growth businesses	■ Enhancement of coordination with suppliers that have factories around the world ■ Construction of structures for swift development and production
Businesses requiring profitability improvements	■ On-schedule release of products through selection and concentration of in-house production and outsourcing with increased emphasis on time-to-market and time-to-volume considerations ■ Improvement of profitability with consideration of total distribution and warehouse management costs
Enhancement of responsiveness toward operating environment changes	■ Strengthening of procurement resilience through receptiveness toward changes in geopolitical risks and customer demand ■ Development of competitive edge through local production and consumption strategies in regions where tariffs or other factors impede price competitiveness

Initiative Policies of Rebuild & Evolve

Yamaha's new production structure includes a quality management system that is ideally suited to the audio equipment business, making for a structure that emphasizes speed and enables swift decision-making and flexible responses. With this structure, we will proactively utilize the global production networks of major suppliers to quickly develop frameworks for local production and consumption as appropriate given the demand trends of specific regions. In this manner, Yamaha will seek to provide a reliable supply of products while heightening cost competitiveness. We will also promote the rationalization of production on a Groupwide basis by consolidating production of the products handled by overseas affiliates at directly operated factories.

Global Expansion of Production Network



Sales Strategies

Audio Equipment Business Sales Channels

Yamaha is developing sales channels for specific product segments in its audio equipment business.

Key Points of Strategies

Audio equipment for consumer use	■ Strengthening of home audio product sales measures for home electronics and audio equipment specialty stores ■ Expansion of sales of music production and streaming equipment through major e-commerce sites as well as through musical instrument stores via use of existing musical instrument sales channels
Audio equipment for professional use	■ Enhancement of sales proposals targeting professional audio specialty stores and installation companies ■ Provision of maintenance and other solutions after system delivery
Audio equipment for mobility use	■ Development of partnerships that can accommodate diverse customer goals ■ Advancement of proposal-based sales activities that solicit Yamaha's distinctive value



Initiative Policies of Rebuild & Evolve

In conjunction with organizational reforms, Yamaha has developed sales systems tailored to the audio equipment market and is bolstering its staff in tandem with the growth of its business. For audio equipment for professional use, we are establishing the sales subsidiary frameworks necessary for supporting our growth. Meanwhile, relevant organizations at major Chinese, Japanese, North American, and European sales companies are being granted increased independence to make it easier for them to conduct sales activities specifically targeting the audio equipment market. Demand for solutions that go beyond system delivery to include maintenance and other solutions is rising in the audio equipment installation market. Yamaha is cultivating support staff to address this demand. Meanwhile, we are reconstructing our customer touchpoints for consumer audio products to be better suited to highly specialized products in conjunction with the revision of our home audio product portfolio. As for mobility audio equipment, we are enhancing proposals utilizing our accumulated brand power to target automobile manufacturers in Europe and the United States with the goal of acquiring new customers.

SECTION 4

CORPORATE STRATEGIES

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SUSTAINABILITY MANAGEMENT



The Yamaha Group is advancing initiatives for contributing to the realization of a sustainable society in accordance with the Yamaha Group Sustainability Policy. This policy was formulated based on the Group's material sustainability issues, which were shaped by the relationship between its business activities and the environment and society as well as on stakeholder expectations and social demands. We thereby aim to contribute to the well-being of people around the world.

Under the guidance of the Board of Directors, Yamaha Corporation established the Sustainability Committee as an advisory body to the president. This committee is tasked with discussing directives for Groupwide sustainability initiatives, monitoring Group initiatives, and reporting to the president on these matters. The Board of Directors receives and reviews regular reports on discussions by the Sustainability Committee and the status of sustainability activities throughout the Group.

Five working groups—the Working Group for Climate Change, Working Group for Resource Circulation, Working Group for Procurement, Working Group for Human Rights, DE&I, and Working Group for Social and Cultural Contributions—have been formed under the Sustainability Committee. The working groups establish frameworks for advancing initiatives based on important Group themes; formulate policies, targets, measures, and activity plans; advance and monitor activities; and report on these matters to the Sustainability Committee.



Meetings of Sustainability Committee and Working Groups and Oversight and Other Activities by the Board of Directors in Fiscal 2025

Sustainability Committee Meetings

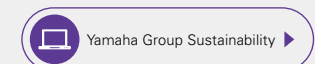
Meetings	7
Major agenda items	- Review of fiscal 2024 sustainability initiatives and confirmation of disclosures, including those based on Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD) recommendations - Progress, results, and challenges in fiscal 2025 - Measures, KPIs, and targets for the next medium-term management plan

Oversight and Other Activities by the Board of Directors

Major activities	Monitoring of Sustainability Committee activities: Twice Discussions with external expert: Once
Major agenda items	- Sustainability policies and targets - Regular review of sustainability measures, etc.

Working Group Activities

Name	Key Themes	Chair	Number of Meetings
Working Group for Climate Change	Decarbonization, TCFD compliance, water risk response, etc.	Operating Officer	6
Working Group for Resource Circulation	Circular value chains, eco-friendly design, packaging and packing, etc.	Operating Officer	7
Working Group for Procurement	Timber due diligence, sustainable timber, Otonomori (Forest of Sound) Activities, supply chain human rights due diligence, conflict minerals, etc.	Executive Officer	7
Working Group for Human Rights, DE&I	Human rights due diligence, DE&I, etc.	Operating Officer	6
Working Group for Social and Cultural Contributions	Music popularization, community outreach, etc.	Executive Officer	9



Material Sustainability Issues, Key Performance Indicators (KPIs), and Targets

Yamaha positions sustainability as a source of value and seeks to use the power of sound and music, as well as the technologies and sensibilities it has fostered through its businesses, to help resolve the issues faced by society.

The Yamaha Group has defined material sustainability issues that contribute to the sustainable development of society and support medium- to long-term improvements in corporate value, based on the relationship between its business activities and the environment and society, as well as on stakeholder expectations and social demands. Initiatives for addressing these issues are being advanced and diligently managed. The identified material sustainability issues will be assessed and revised on an ongoing basis out of consideration for social trends, sustainability challenges, and the expectations of stakeholders.

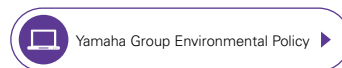
Major Sustainability KPIs and Targets of Rebuild & Evolve (New Medium-Term Management Plan for Fiscal 2026–2028)

Category	Material Issues	KPIs and Targets	
Environment	Response to climate change	Management target	■ Reduce Scope 1 and Scope 2 CO ₂ emissions by 30% (compared with fiscal 2017)
	Resource savings, reduction of waste and hazardous substances	Management target	■ Reduce use of Styrofoam packaging by 25% (compared with fiscal 2022)
	Sustainable use of timber	Management target	■ Increase rate of sustainably sourced timber use to 80%
			■ Cultivate and preserve scarce tree species necessary for musical instrument production (Otonomori Activities) ■ Plant and preserve 20,000 trees a year in Tanzania ■ Produce and present musical instruments made using Sakhalin spruce in Hokkaido ■ Introduce pilot tree planting project in India ■ Develop preservation model for one species of tree in Latin America
Society	Respect for human rights in the value chain	Management target	■ Conduct on-site audits of 60 suppliers
	Contribution to an equal society and comfortable lives	Management target	■ Develop 20 use cases for resolving social issues
Culture	Spread and development of music culture	Management target	■ Engage in 12,000 music culture support activities under the Community Building with Music initiative (activities to create opportunities for people to connect through music)
		Management target	■ Provide music education opportunities to aggregate total of 7 million children through the School Project
Human Resources	Respect for human rights and DE&I	Management target	■ Achieve ratio of female managers of 24%
			■ Conduct global positioning of 40 individuals
	Foster a creative and ambitious organizational culture		■ Continue improving ratio of employees offering positive responses regarding job satisfaction on employee engagement surveys
		Management target	■ Increase human capital investment by 50%

ENVIRONMENT

Basic Policy

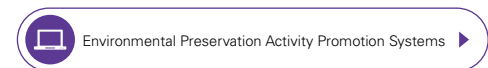
The Yamaha Group recognizes that a healthy global environment is imperative to the continuity of its business activities and the sustainability of society. Accordingly, we have established the Yamaha Group Environmental Policy, which defines the environmental issues that the Group should prioritize and describes the approach to be taken in addressing these issues to reduce the environmental impacts of all our business activities across the entirety of the value chain. Initiatives based on this policy are incorporated into our medium-term management plan and into the action plan of individual divisions to guide concrete action.



Yamaha Group Environmental Policy ▶

Environmental Preservation Activity Promotion Systems

The Yamaha Group has created a system for promoting global environmental preservation activities that is overseen by the officer at Yamaha Corporation responsible for environmental issues of the Yamaha Group. In addition, the Working Group for Climate Change, Working Group for Resource Circulation, and Working Group for Procurement have been established under the Sustainability Committee. These working groups engage in discussions regarding important sustainability issues, such as climate change response and sustainable resource use and procurement, and report on these matters to the Board of Directors.



Environmental Preservation Activity Promotion Systems ▶

Priority Initiatives and Fiscal 2028 Targets Pertaining to Material Sustainability Issues

The Yamaha Group aspires to contribute to the realization of a sustainable society through its climate change response measures and conservation of natural capital. To this end, we are advancing initiatives for addressing climate change and nature-related issues from a long-term perspective.

Response to Climate Change

Target

Reduce Scope 1 and Scope 2 CO₂ emissions by **30%**
(compared with fiscal 2018)

The Yamaha Group is working to contribute to the global movement to reduce greenhouse gas emissions. At the same time, we are preparing for the potential impact of climate change by identifying risks, formulating mitigation measures, and incorporating these into business strategies. The Group has formulated a transition plan for achieving carbon neutrality in its operations and across its value chain by 2050. Our medium-term targets in pursuit of this larger goal are to realize a 55% reduction in Scope 1 and Scope 2 greenhouse gas emissions and a 30% reduction in Scope 3 emissions in comparison to fiscal 2018 levels by fiscal 2031. Furthermore, the Group declared its endorsement of the recommendations of the TCFD in June 2019 and commenced initiatives for analyzing the impact of climate change on its finances and disclosing related information.

Sustainable Use of Timber

Target

Increase rate of sustainably sourced timber use to **80%**

The Yamaha Group has established a timber due diligence system and conducts surveys via questionnaires to assess the place of origin, the legality of harvesting, and the sustainability of purchased timber resources. Based on the results, we perform stricter verification of the legality for timber deemed to represent a high risk by undertaking further investigations including local site visits and assessments by a committee comprised of members of the Timber Procurement Division and the Sustainability Division. In addition, Yamaha established new standards for sustainably sourced timber in fiscal 2024 under the guidance of international environmental organization Preferred by Nature. These standards include provisions for judging the sustainability of timber. We are utilizing these standards to assess and verify the sustainability via methods such as on-site inspections in collaboration with suppliers.

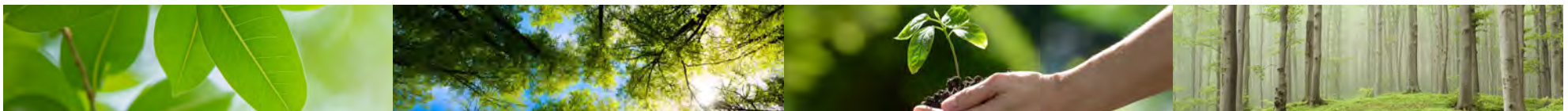
Resource Savings, Reduction of Waste and Hazardous Substances

Target

Reduce use of Styrofoam packaging by **25%**
(compared with fiscal 2023)

Yamaha is endeavoring to reduce its usage of plastic and other resources from the perspective of preventing global warming and pollution. We are advancing initiatives from a variety of standpoints, including lowering product size and weight, integrating several products into one, and reducing the amount of and, when possible, completely eliminating, product packaging and cushioning.

In addition, we are actively utilizing sustainable and recycled materials through means such as the use of biomass-derived resins and recycled plastic in products and packaging. Moreover, we are taking steps to extend the lifespans of the products we sell by developing instrument maintenance and repair service systems, using replaceable or augmentable units, and offering services for collecting and reusing products.



INITIATIVE THEME

Response to Climate Change

Installation of 1.4 MW Solar Power Generation System at Kakegawa Factory

At the Kakegawa Factory, a large-scale solar power generation system with a capacity of 1.4 MW was installed using factory roof and parking lot space to contribute to the accomplishment of our medium-to long-term greenhouse gas emissions reductions targets. Operation of this system commenced in November 2024.

This system is anticipated to produce approximately 1,600 MWh of power a year, equivalent to roughly 9% of the annual electricity consumption of the Kakegawa Factory. This reduction will translate to a decrease in annual CO₂ emissions of 600 t-CO₂.



Solar panels installed at the Kakegawa Factory



Sustainable Use of Timber

Cultivation of Quality Timber Through Coordination with Local Communities (Otonomori Activities)

The Yamaha Group aims to address these concerns through Otonomori (Forest of Sound) Activities, which are being advanced through coordination with local communities for the purpose of developing sustainable forests to ensure that high-quality timber suited to musical instrument production can be secured in a sustainable manner. We partner with government agencies and academic institutions to advance these activities around the world.

African blackwood (*Dalbergia melanoxylon*), an important material used for woodwind instruments, is classified as near threatened by the Red List of Threatened Species, which is compiled by the International Union for Conservation of Nature and Natural Resources, and a downward trend in the resource volume has been seen in recent years. In 2015, Yamaha began investigations of African blackwood looking at matters such as ecology and forest management status in Tanzania, where this tree is grown. Seeking to create a business model that can utilize African blackwood timber in musical instruments in a sustainable manner, we have been working to introduce cultivation techniques, improve land utilization practices, and develop material usage technologies from the perspectives of forest preservation, musical instrument production, and local community development. Yamaha has been taking part in planting activities to sustainably cultivate African blackwood since 2017. As of March 31, 2025, an aggregate total of around 27,000 saplings have been planted across an area of roughly 13.5 ha through these activities.



Ecosystem survey with cooperation from community

JAPAN WOOD DESIGN
AWARD 2024

Forest preservation initiatives in Tanzania won JAPAN WOOD DESIGN AWARD 2024 through the program organized by Wood Design Award. This was the first time Yamaha has received this honor.

Resource Savings, Reduction of Waste and Hazardous Substances

Eco-Conscious Packaging

Yamaha is endeavoring to reduce its usage of plastic packaging as society reassesses its mass use of plastic items from the perspective of preventing global warming and pollution. For example, we ceased use of Styrofoam packaging for all new small products in April 2025 while our VXC2P ceiling speaker comes packaged in plastic bags made using recyclable materials.



Ceiling speaker packaged in plastic bags made using recyclable materials

Endorsement of the TCFD and TNFD Recommendations

The Yamaha Group also began disclosing information in a manner that combines the recommendations of the TCFD and the TNFD since 2024. This approach is used to analyze the risks and opportunities from the perspectives of climate change and biodiversity so that this information can be reflected in management strategies and in disclosures of information on the financial impacts of these risks and opportunities.

Governance

The Sustainability Committee, which is an advisory body to the president, is responsible for assessing and managing climate change- and nature-related risks and opportunities, including those related to human rights policies and engagement activities pertaining to indigenous peoples, local communities, and other affected stakeholders. The Board of Directors oversees these activities.

In addition, the Working Group for Climate Change, the Working Group for Resource Circulation, and the Working Group for Procurement—organizations positioned under the Sustainability Committee—engage in more detailed discussions of these issues and regularly report on progress made to the committee.

Strategy

Yamaha assesses the short-term, medium-term, and long-term impacts of climate change and biodiversity on a Groupwide basis. Through these assessments, the Company has conducted scenario analyses to identify risks and opportunities with the potential to have a particularly large impact on its business activities.

The Yamaha Group has utilized the LEAP (Locate, Evaluate, Assess, and Prepare) Approach* framework provided by the TNFD to analyze nature-related issues and identify its connection with nature and its nature-related dependencies, impacts, risks, and opportunities. Based on the understanding that climate change- and nature-related issues can have a significant impact on its businesses, strategies, and financial plans, Yamaha tracks potential risks and opportunities. Strategies are revised as necessary based on the findings of these activities.

* The LEAP Approach is a tool designed by the TNFD for use in comprehensive assessments of a company's connections with nature, dependencies, impacts, risks, and opportunities for use in determining the environmental issues faced.

Risk & Impact Management

Yamaha has established the Risk Management Committee as an advisory body to the president that operates under the supervision of the Board of Directors. This committee is tasked with identifying and assessing risks using cross-Company evaluation frameworks that look at the climate change, ecosystem, and various other risks associated with Yamaha's corporate and other activities.

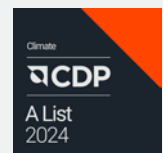
Meanwhile, the Working Group for Climate Change positioned under the Sustainability Committee together with the Environmental Division is responsible for assessing the potential impact and the frequency of risks and opportunities based on scenario analyses and compiling lists of the identified risks and opportunities. At the same time, working groups associated with particular major risks and opportunities and relevant divisions pursue coordination as necessary to monitor the progress of related measures, which is reported to the Sustainability Committee. Major risks and opportunities whose materiality surpasses the scope of the duties of the Sustainability Committee and working groups are reported to the Board of Directors, which will discuss and examine response policies.

Metrics and Targets

Yamaha defines indicators and sets targets for managing and assessing important climate change- and nature-related dependencies, impacts, risks, and opportunities and monitors progress toward these targets. Third-party verification is received for data for Scope 1 and Scope 2 emissions, certain Scope 3 emissions, and water intake. Information on the global core metrics for which the TNFD recommends disclosure and the status of disclosure by Yamaha related to these metrics can be found on the Company's corporate website (Endorsement of the TCFD and TNFD Recommendations).

Receipt of Highest Honor in CDP Climate Change Survey for Second Consecutive Year

Yamaha Corporation has been included in the CDP Climate Change A List, the highest honor in the climate change survey compiled by international NPO CDP, as a reflection of its proactive climate change initiatives and the transparency of its efforts. The Company has been included on this list three times, including for two consecutive years. Yamaha also received high ranks of A- in the categories of water security and forests, meaning that the Company is at leadership levels with regard to climate change, water security, and forests. We remain committed to steadfast action in promoting decarbonization and nature positivity going forward.



Decarbonization Plan

Reductions to CO₂ emissions are managed in a comprehensive manner encompassing the entire Yamaha Group and its supply chains. By pursuing steady reductions in total greenhouse gas emissions (Scope 1, Scope 2, and Scope 3), Yamaha seeks to combat rapid climate change, which is a threat to humanity and to all life-forms on earth, and to contribute to the realization of a decarbonized society.

Scope 1 + Scope 2 (direct emissions from the Company)

- Scope: All domestic and overseas bases
- Emissions in fiscal 2018 (base year):
158 thousand t-CO₂

Energy-related sources of greenhouse gas emissions

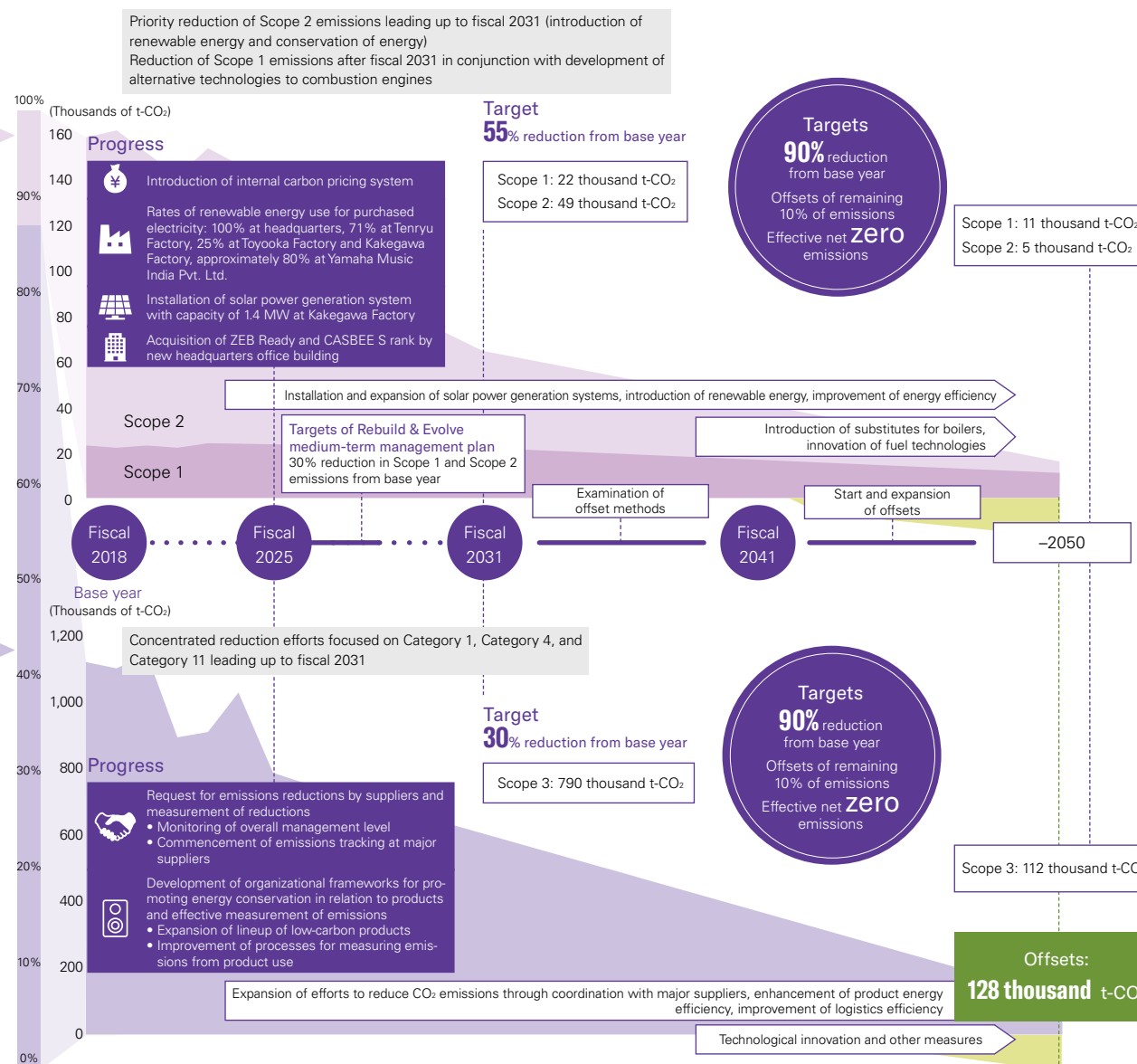
Scope 1: Carbon fuel, gas (LNG, etc.), and oil (heavy fuel oil, etc.)
Scope 2: Electricity

Scope 3 (other emissions across the value chain)

- Emissions in fiscal 2018 (base year):
1,123 thousand t-CO₂

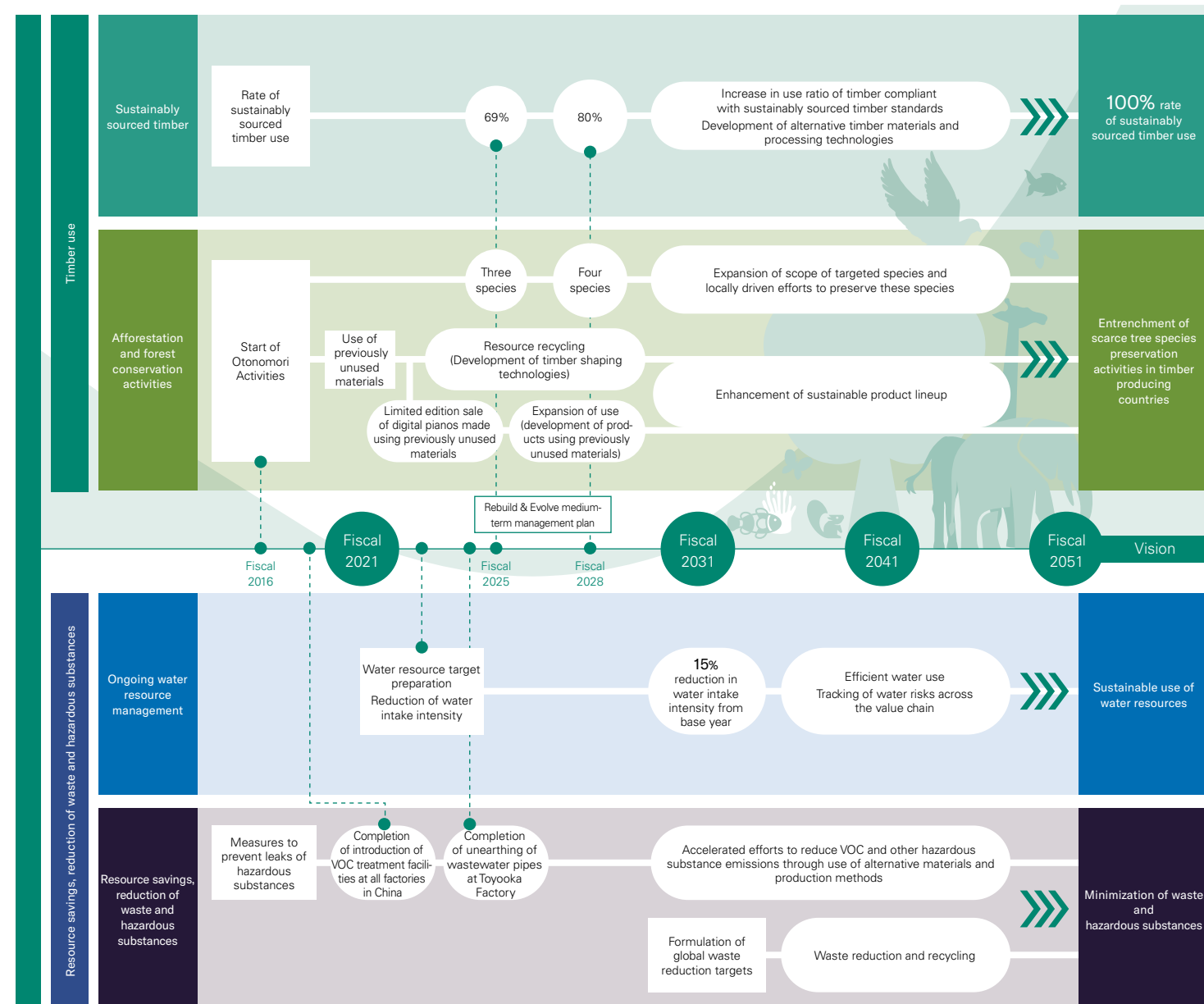
Energy-related sources of greenhouse gas emissions

Category 1: Purchased goods and services
Category 4: Upstream transportation and distribution
Category 11: Use of sold products



Nature Positive Transition Plan

Yamaha aspires to develop its business in a nature positive manner. To this end, we are examining the impacts of our business activities and products on biodiversity across the value chain and advancing initiatives to minimize adverse impacts. Forest preservation is an area of particular focus as we seek to use sustainably sourced timber and foster timber suited to use in musical instruments.



HUMAN RIGHTS

Basic Policy

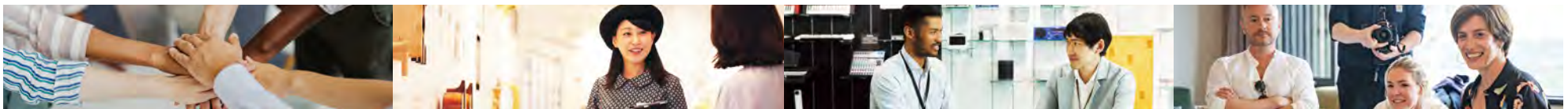
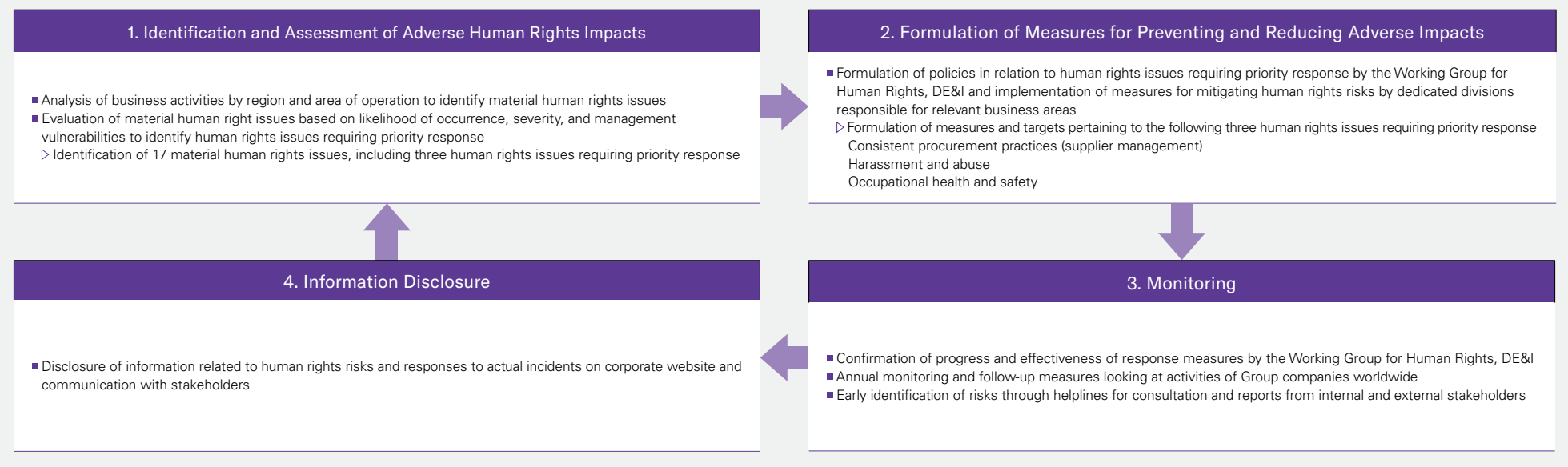
The Yamaha Group expects all Group companies to address the potential impacts of their business activities on human rights, and has established the Yamaha Group Human Rights Policy and the Yamaha Compliance Code of Conduct. In addition, all suppliers across the supply chain are asked to exercise respect for human rights in accordance with the aforementioned policy and to comply with the code of conduct, which stipulates respect for human rights and appropriate labor practices.

System

Yamaha Corporation has established the Working Group for Human Rights, DE&I under the Sustainability Committee, which is chaired by the president, to promote activities for preventing and reducing adverse impacts on human rights from Groupwide business activities. Moreover, the Sustainability Committee submits regular reports on measures for addressing major human rights issues and their progress to the Board of Directors to facilitate oversight of initiatives on this front.

Promotion of Human Rights Due Diligence

Yamaha takes steps to identify and assess human rights risks across its value chain based on international human rights standards and policies in order to remedy, prevent, and reduce human rights violations. Through an ongoing process of discussion with stakeholders and experts, we seek to implement an effective cycle for minimizing human rights risks that involves suppliers and other business partners.



Human Rights Issues Requiring Priority Response

Human Rights Issues and Potential Business Impacts from Associated Human Rights Violations	Response Measures
Consistent Procurement Practices (Supplier Management) Forced labor and other unacceptable practices or business activities that destroy the environment across the supply chain can have serious impacts on workers and members of the affected communities, and can also result in disruption of supply chains, loss of trust from the international community, and withdrawals of investment.	■ Confirmation of CSR initiatives at suppliers during screening process and requests for compliance with Yamaha Supplier CSR Code of Conduct ■ Self-assessment questionnaires and on-site audits based on Yamaha Supplier CSR Code of Conduct and requests for corrective measures as necessitated by audit results ■ Seminars and other education and awareness-raising activities for suppliers and buyers ▷ On-site audits of 60 suppliers deemed to require priority risk management by external experts based on medium-term management plan launched in fiscal 2023 ▷ Seminar on "Business and Human Rights" arranged in fiscal 2025 for domestic suppliers to help raise awareness
Harassment and Abuse Workplace harassment violates the dignity of workers and can contribute to the deterioration of workplace environments, reduction in productivity, loss of talent, and difficulties in recruitment. Moreover, harassment of suppliers has the potential to lead to loss of trust or discontinuation of transactions.	■ Indication that harassment is a form of misconduct warranting discipline and disclosure in work regulations to clearly define stance toward harassment and raise employee awareness (Yamaha Corporation and domestic Group companies) ■ Establishment of compliance-related consultation and whistleblowing systems to facilitate early detection of and response to harassment as well as swift implementation of measures for preventing reoccurrence ■ Awareness raising through harassment prevention training, production of training tools, and distribution of information to raise awareness of employees ▷ Harassment prevention seminars (e-learning) arranged for all employees of Yamaha Corporation and all managers of other domestic Group companies (approximately 4,500 individuals) in fiscal 2025
Occupational Health and Safety Occupational accidents and illnesses are threats to the lives and physical and mental health of employees. Should an injury that causes irrevocable harm occur, it could result in the loss of an employee with skills indispensable to business activities or a need to halt operations.	■ Distribution of occupational health and safety policies and targets as well as messages from the president for all Group employees (in four languages) as part of annual events ■ Optimization of occupational health and safety functions on a regional basis through coordination between overseas production sites centered on China and Indonesia ■ Introduction of dedicated training programs for managers and supervisors and training facilities (safety dojos) for employees at domestic and overseas production sites ▷ Acquisition of certification under the ISO 45001 international standard for occupational health and safety management systems for 13 of the Group's 18 production bases worldwide as of March 31, 2025

Human Rights-Related Consultation and Whistleblowing Systems

The Yamaha Group has set up compliance-related consultation and whistleblowing systems with internal and external consulting venues for use by employees (including contract employees, part-time employees, and dispatch employees). Employees are able to receive consultation or make reports regarding harassment and other human rights issues through these systems. In addition, we have developed multilanguage inquiry forms, and a dedicated consultation system for sexual minorities at domestic Group companies has been established. Steps are being taken to entrench awareness of these reporting options.

Non-employee stakeholders are able to submit opinions and reports through the consultation venues available on Company websites. In addition, Yamaha is accepting claims of human rights violations filed through the Engagement and Remedy Platform of the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER). This platform is compliant with the stipulations of the UN Guiding Principles on Business and Human Rights. In fiscal 2025, three claims of human rights violations of migrant workers were received through this platform and other venues. Yamaha is taking steps to confirm the validity of these claims and has requested response measures from the relevant suppliers when required. Future action will be taken as necessary.

Human Rights Education and Awareness-Raising Activities

Dedicated organizations arrange training programs based on specific human rights themes for employees, managers, and business partners. We offer the Yamaha Human Rights Guidebook, which is available in Japanese and has been translated into English, Chinese, and Indonesian, at all domestic and overseas Group companies. In addition, e-learning programs are provided for domestic Group companies to bolster understanding regarding business and human rights.

Product and Service Accommodation

The Yamaha Group seeks to improve the safety and accessibility of its products and services to allow them to be enjoyed by a wide range of people, regardless of disability or other restrictions, and to ensure that they do not cause or exacerbate physical or mental health conditions. Furthermore, we have prepared a DE&I communication handbook for employees to prevent discrimination in the use of advertisements or through social media. Yamaha is also a member of the Unstereotype Alliance, a movement spearheaded by UN Women that aims to eliminate harmful stereotypes in media and advertisements.



HUMAN RESOURCES



Taro Tokuhiro

Executive Officer
Executive General Manager of Operations Unit

Basic Policy

With the utmost faith in its colleagues and respect for individual diversity, the Yamaha Group has endeavored to create a workplace environment in which everyone is able to fully exercise their skills. These principles guide us in our efforts to foster a healthy and creative organizational culture in which employees pursue their ambitions and inspire one another to create new value, produce results, and ultimately help realize Yamaha's management vision.

Review of Make Waves 2.0

Under Make Waves 2.0, the previous medium-term management plan, we have put forth three key policies, one of which was "enable Yamaha colleagues to be more valued, more engaged, and more committed." Based on this policy, we defined six focus areas and three priority themes. Human resource measures were advanced in accordance with these directives, and their results were measured. Through these efforts, we were able to accomplish our goals in relation to human rights, DE&I, and workplace environment, but did not achieve gains and fell short of our goals in relation to job satisfaction.

Review of Initiatives in Six Focus Areas

1. Sharing of Policies and Strategies	By implementing measures for close sharing of the feelings of employees and members of management toward the Company, we sought to help everyone better understand our corporate philosophy, the Yamaha Philosophy, and our brand promise and to exercise these principles in their daily activities.
2. Provision of Tangible Feelings of Contribution and Growth	Yamaha aspired to provide workplace environments in which employees are given opportunities to grow and tackle new challenges on their own volition, fully exercise their skills at work, contribute to the Company and to society, and experience tangible feelings of growth. At Yamaha Corporation specifically, we have advanced and entrenched measures that emphasize career autonomy and specialized skill development.
3. Respect for Individuals	Based on the Yamaha Group DE&I Policy, Yamaha positioned the diversity of its people as a source of new value and sought to ensure that its workplace environment features the sense of fairness that is indispensable to diversity. With this as our foundation, we developed systems and fostered a culture that allow individuals with diverse backgrounds to contribute as their authentic selves.
4. Fostering of an Open Organizational Culture	By analyzing the results of the employee engagement surveys conducted each year since fiscal 2021, Yamaha worked to foster an open organizational culture that can function as a foundation for maximizing the energy of employees and organizations. The results of these surveys were communicated to various divisions to inform improvement activities.

5. Diverse and Flexible Workstyles	Based on respect for employees' diverse values and lifestyles, Yamaha offered support for work-life balance to ensure that employees are able to live fulfilling private lives while contributing to the development of its businesses. Yamaha Corporation revised its systems and frameworks with the goal of realizing self-directed, highly productive workstyles. The goal of these efforts was to allow our employees to exercise their skills while maintaining good physical and mental health and to live enriching work and personal lives through the development of flexible systems and workplace environments that are accommodating of the circumstances of individual employees.
6. Energized Workplaces	The Yamaha Group Health Declaration defines the principles of "Sound Living" (realizing "living their own lives in good physical and mental health"), "Sound Minds" (creating an environment that allows people to work with peace of mind, responding to changes in workstyles), and "Sound Bodies" (promoting measures to protect and improve health, such as regular health checkups of employees in the month of their birthday). Initiatives have been advanced to promote these principles.

Six Focus Areas



Three Priority Themes, KPIs, Targets, and Results of Make Waves 2.0

	Increase job satisfaction		Promote respect for human rights and DE&I		Foster open organizational culture where people can proactively take on challenges
KPI	Employee engagement survey Positive response rate for job satisfaction	Human resources investment (compared to period of Make Waves 1.0)	Ratio of female managers	Cross-border positioning (three-year total)	Employee engagement survey Positive response rate for workplace environment
Target and Actual	66% 65% 66% 65% 2022/3 2023/3 2024/3 2025/3	Actual 1.6 times higher Target 2.0 times higher 2020/3–2022/3 2023/3–2025/3	Target 19.0% 16.5% 17.3% 19.4% 19.0% 2022/3 2023/3 2024/3 2025/3	30 individuals 32 individuals Target Actual	63% 63% 65% 65% 2022/3 2023/3 2024/3 2025/3

Human Resource Strategies of Rebuild & Evolve

Increasing job satisfaction requires all employees to share the same vision for management so that they can have a sense of how they are personally contributing to the Company's business strategies. Under the previous medium-term management plan, we introduced a talent management system and revised core Group human resource development measures and human resource systems for managers. These efforts were part of a campaign to develop a human resource infrastructure platform that enables the growth of individuals to drive the growth of our business.

The new medium-term management plan lays out the following three key themes. Based on these themes, we will seek to further build upon our healthy organizational culture while transitioning from administrative-focused human resource management to strategy-oriented human resource management. In this manner, we will strive to increase job satisfaction and accelerate business growth.

Strategy-oriented human resource management entails enacting human resource measures that support the global implementation of management and business strategies. Other aspects of this approach include strengthening organizational capabilities and encouraging individual growth to make direct contributions to business growth and organizational culture reforms, and tracking the effectiveness of these efforts. Specifically, Yamaha will endeavor to build frameworks for the timely recruitment, development, and positioning of human resources in accordance with the needs of its strategies and to create frameworks that allow all employees to feel that they are contributing to business growth as they learn, act, and grow. By coordinating such efforts, we aim to continuously create social value by heightening individual job satisfaction and enhancing our human capital.

Three Key Themes of Rebuild & Evolve

Key
Theme
1

Establishing a human resource management system linked to business strategies

During the period of the new medium-term management plan, Yamaha will seek to improve earnings and return to the growth track in existing businesses while growing businesses in new fields through strategic investment. Frameworks for the timely and appropriate recruitment, development, and positioning of human resources are imperative to achieving our targets. For this reason, we will be transitioning to a strategy-oriented human resource management system to allow for the swift optimization of our staff based on a clear understanding of the difference between the staff necessary for accomplishing the goals of business strategies and the actual conditions.

Key
Theme
2

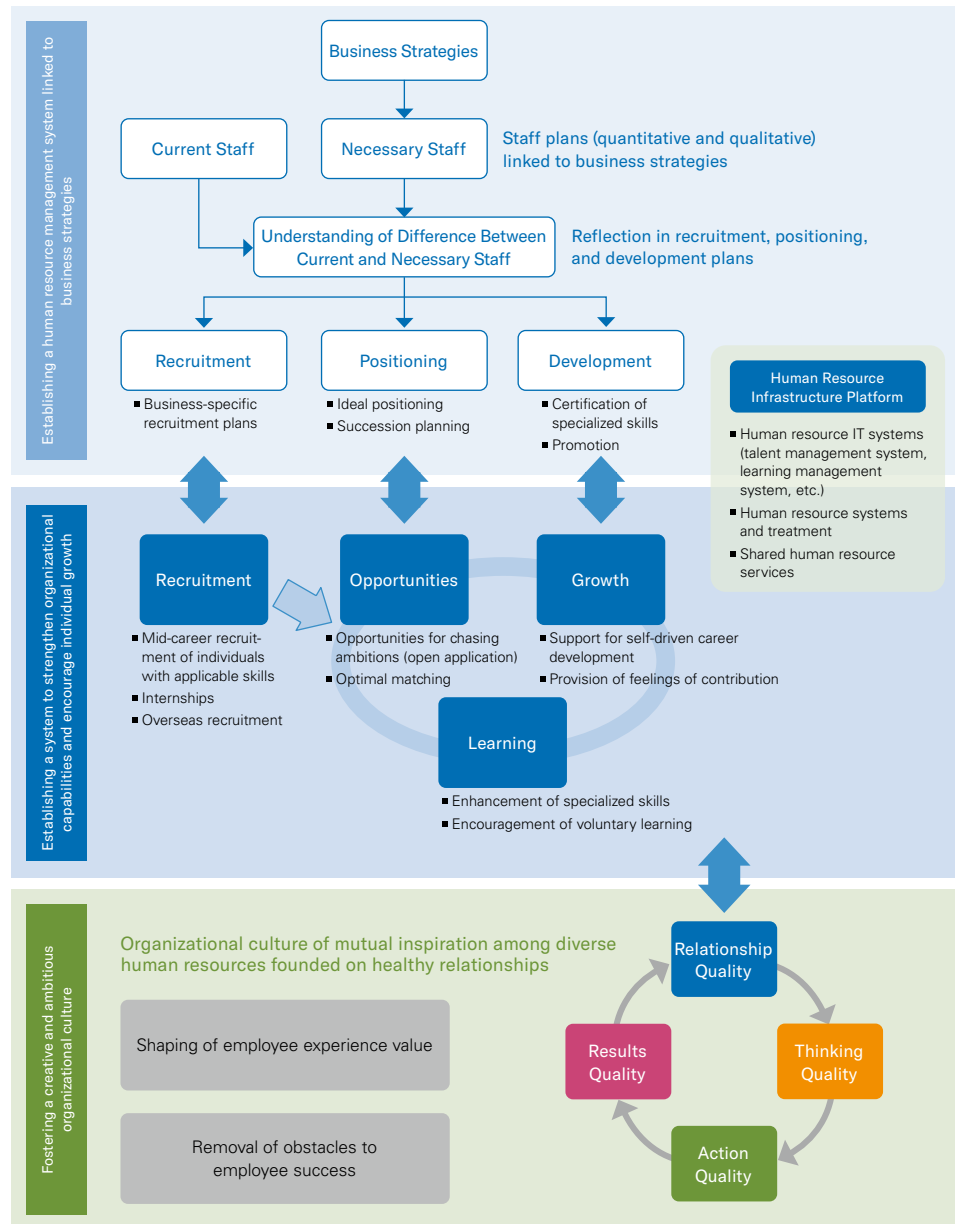
Establishing a system to strengthen organizational capabilities and encourage individual growth

Strengthening organizational capabilities and encouraging individual growth will be more important than ever if we hope to ensure the effectiveness of our strategy-oriented human resource management approach. For this reason, we plan to increase human resources investment by 1.5 times in comparison to prior levels and bolster opportunities for learning, acting, and growing as part of our human resource measures and infrastructure platforms. We thereby aim to achieve more strategic human resource positioning and development. In addition, we plan to expand our recruitment channels in diverse areas around the world to widen our net for recruiting talent that can contribute to business development.

Key
Theme
3

Fostering a creative and ambitious organizational culture

Yamaha will work to foster a creative and ambitious organizational culture in order to further cement its system for strengthening organizational capabilities and encouraging individual growth. Past efforts to develop a more open workplace culture have included DE&I initiatives and attentive listening training programs. Going forward, we will build upon these efforts as we endeavor to express employee experience value in words for use in shaping this value. We will also continue our efforts to remove obstacles to employee success, through means such as preventing mental health issues and harassment, in an attempt to cultivate a virtuous cycle in which quality relationships with individuals both inside and outside of the workplace drive qualitative improvements in employee thinking, actions, and results.

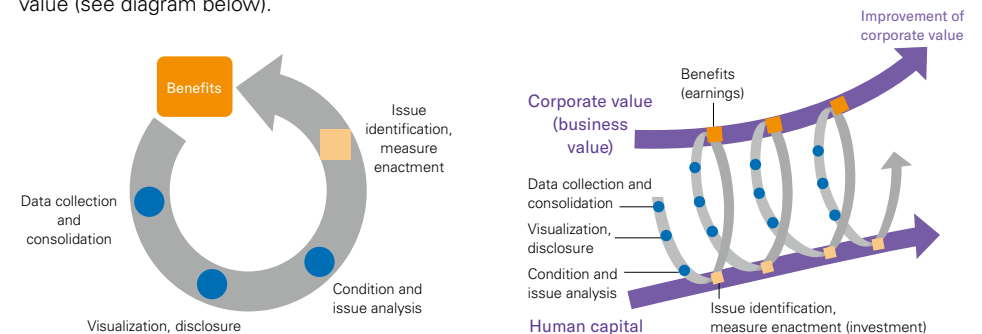


Targets and Measures Related to Key Themes

Key Themes	Establishing a human resource management system linked to business strategies	Establishing a system to strengthen organizational capabilities and encourage individual growth	Fostering a creative and ambitious organizational culture
Targets	Enhancement of understanding of human resource issues in businesses to develop PDCA cycle for supporting strategies	Achievement of 1.5 times increase in human resources investment and ratio of female managers of 24%	Ongoing improvement of positive response rates on employee engagement surveys
Focuses	Evolution of human resource management	Evolution of human resource frameworks and shared platforms	Strengthening of organizational capabilities
Measures	■ Management of human resources based on staff plans ■ Expansion of talent management system and coordination with other systems ■ Certification of specialized skills ■ Revision of Group Human Resources Management Policies & Rules and related monitoring	■ Transition to business strategy-oriented approach for human resource organizations ■ Revision of human resource systems for Yamaha Corporation employees ■ Entrenchment of global grading standards ■ Revision of systems for rehiring of senior citizen employees ■ Global application of shared human resource services and utilization of business process outsourcing	■ Reinforcement of management at all levels (spanning from new managers to officers) ■ Improvement of organizational development literacy (insight, experience, practically applicable knowledge) ■ Cross-border positioning

Yamaha has established targets for each of the medium-term management plan's key themes and is moving forward with initiatives for generating synergies between increased employee job satisfaction and business growth. At the same time, we are collecting, visualizing, and analyzing human resource data to help improve the accuracy of strategic decision-making.

In the medium to long term, we aim to create a cycle in which data-driven identification of issues and implementation of measures contributes to benefits (earnings) from human resources investment, and the related earnings are reinvested in human resources to spur further enhancement in human capital. We are confident that such a cycle will stimulate ongoing improvements in corporate value (see diagram below).



INITIATIVE THEME Development of Organization Supporting Ambition and Growth

Human resource strategies gain true effectiveness when they are backed by action that coincides with the convictions of individual employees. Here, we present messages from three employees where they explain their feelings and experiences with regard to the three key themes of the medium-term management plan.

Key Theme 1

Establishing a human resource management system linked to business strategies

Development of Human Resource Business Partner Organization Linked to Businesses

In the Human Resources Division, I am involved in the management of a team responsible for addressing the people- and organization-related issues faced by business divisions.

Yamaha has been making consistent efforts to tackle human resource challenges through coordination between business divisions and the Human Resources Division, but previously this coordination was not quite sufficient. This prompted us to establish a human resource business partner organization to serve as a catalyst for sparking coordination between these parties. In the past, there were people within the Human Resources Division who were assigned responsibility for specific business divisions. However, these individuals were unable to engage in human resource management planning and implementation as is ideal from the perspective of business strategies. I believe that providing human resource support for business activities to enact the new medium-term management plan's policy of strengthening the management foundation requires an approach that is not restricted by prior conventions and allows us to reconstruct our approach toward human resource management from the perspective of businesses. I want business divisions to trust the human resource business partner organization as a true partner, and to spur the necessary changes as a united team to help business divisions achieve their growth targets.



Go Manki

HR Solutions Group
Human Resources Division
Operations Unit

Key Theme 2

Establishing a system to strengthen organizational capabilities and encourage individual growth

Career Changes Through Open Application Systems

After using an internal open application system to undertake a change in my career, I moved away from my prior position managing internal IT infrastructure development and operation to take up a new position managing a team that provides customer success solutions for musicians. My decision to make this bold step was based on my understanding of the need for me personally to take action to heighten my skills and broaden my career prospects given the rapid progress in the world of IT. I was also concerned that I might become complacent when it comes to pursuing personal growth were I to remain in the same place. Most importantly, since joining Yamaha, I had continued to hold a desire to combine sound and music with network technologies in order to supply the world with new value. I therefore pounced on the opportunity presented by the open application system.

The internal open application system enables employees to assume responsibility for choosing their own career. This system is different from going to another company as there is an element of peace of mind in already knowing the people one will be working with in their new position. I hope others will be able to chase their ambitions without fear through this system.



Taro Yokoyama

Platform Solutions Group
Music Connect Division
Musical Instruments Business Unit

Key Theme 3

Fostering a creative and ambitious organizational culture

Fun DE&I Communication Through Games

I joined Yamaha in 2022 as a mid-career hire. Since then, I have been drawn to the appeal of the diverse potential of my new colleagues and inspired by a desire to build relationships that allow us to mutually benefit from each other's individual experiences and values. This is why I am voluntarily engaging in DE&I promotion activities.

For example, together with the Working Group for Human Rights, DE&I, I arranged a communication workshop using Yamaha Hit Maker, an original board game, with the goal of promoting understanding of the Yamaha Group DE&I Policy within the organization. This game involves creating and presenting product idea proposals on the spot, which gives participants the opportunity to express their own values in words and to incorporate the perspectives of others. A number of participants have reported subtle changes in how they perceive things—for example, how engaging with other views changed their own, or how they found other ways of thinking to be stimulating. I therefore feel confident in saying that the game has generated the intended benefits.

Diversity is an essential part of fostering a creative and ambitious organizational culture. I therefore intend to keep promoting DE&I through activities focused on fun to help build a culture where everyone feels empowered to speak up.



Eri Wakabayashi (top right)

Manufacturing DX Promotion Group
Production Planning Division
Musical Instruments Production Division
Musical Instruments Business Unit

RESEARCH AND DEVELOPMENT



Masahiro Ikeda

Operating Officer
Executive General Manager of Technology Unit

Review of Make Waves 2.0 and Policies Under Rebuild & Evolve

Under Make Waves 2.0, the previous medium-term management plan, we launched the Extrack instrumental music performance support app using our latest song analysis and sound source isolation technologies in the AI and signal processing technology field. We also moved forward with initiatives based on the plan's key themes, such as efforts to combine our performance measuring and sensibility analysis technologies to create technologies that help improve the performance experiences of various musical instrument products.

Our focus under Rebuild & Evolve, the new medium-term management plan, will be to continue improving the joy of playing and listening to music that is at the heart of our user experience while expanding our lineup of services that support playing and listening through accelerated application of AI and other cutting-edge technologies. Through this two-pronged approach, we look to provide diverse sound and music experiences. By further refining the combination of technologies and sensibilities that represents our core competence, we will create sound and music experiences in response to the changing times and thereby support the “Well-Being of People around the World.”

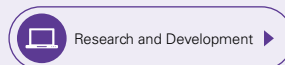
Basic Policy

Yamaha provides customers with diverse and enriched sound and music experiences by combining products with refined fundamental values and services enhanced based on the customer's perspective. These products and services create value by engaging with the sensibilities of people. By enhancing our scientific design methodologies to improve the functionality and ease of use of our products, we seek to heighten the value we provide. At the same time, we endeavor to visualize customer needs and build a greater understanding of diverse sound and music experiences as we take advantage of AI and other technologies to connect these elements and create richer customer experiences.

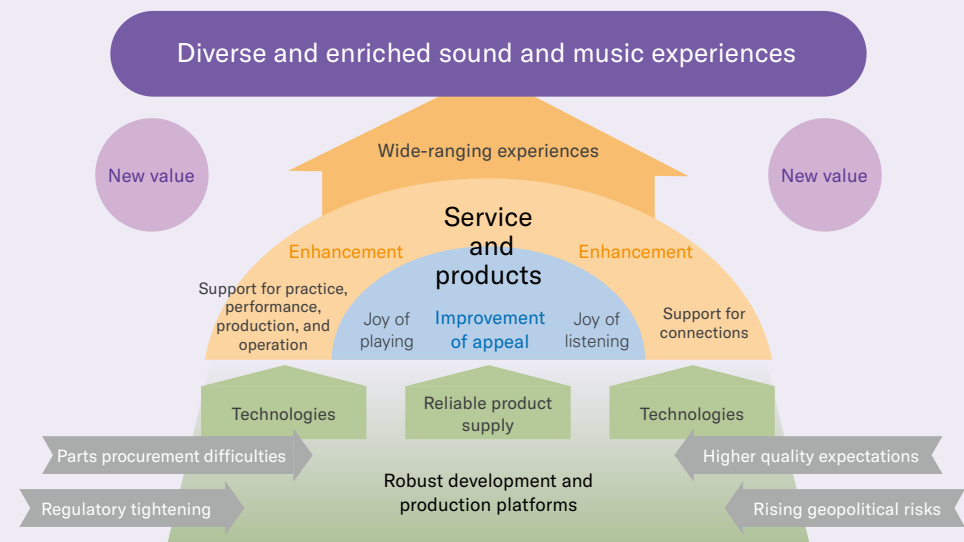
These efforts are supported by our robust development and production structures, which allow us to reliably launch and supply products no matter how conditions may change. To shorten the product launch cycle, we are working to strengthen our development and production structures by revising our planning, development, and production processes and developing product platforms linked to procurement strategies. We are also focused on creating innovative new value through collaboration with external partners and other means. To ensure success in such efforts to drive the ongoing evolution of our comprehensive value proposition, Yamaha is bolstering its facilities and actively recruiting and developing human resources. We will also enhance our acoustics measuring and analysis technologies as well as our performance and sensibility data analysis technologies.

Strengths of Research and Development at Yamaha

Yamaha has continued to pass on its deep understanding of and vast insight into the sensibilities for determining a good sound and a good sound environment through the generations. This insight and understanding serve as our unique strengths and enable us to differentiate our products and services from our competitors. To effectively utilize our insight and understanding, we are striving to meld our various other technologies, such as our acoustic, AI, digital, and electronic technologies, which in turn will enable us to offer unique products and services that cannot be imitated by competitors.



Overview of R&D Strategies



Priority Strategies

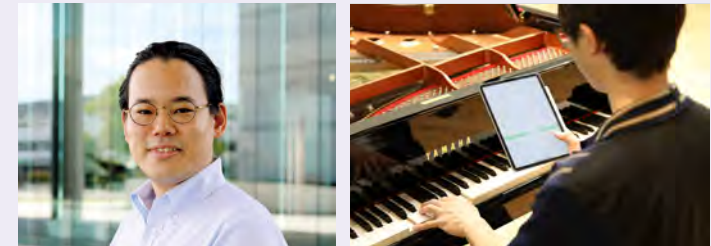
1. Creation of innovative new value
2. Expansion of customer experiences through coordination between products and services
3. Bolstering of competitiveness through improved product appeal
4. Reliable supply of products supported by development and production resilience

INITIATIVE THEME 1

Improvement of Fundamental Value of Musical Instruments and Audio Equipment

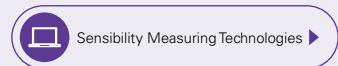
Yamaha continues to improve the fundamental value of its products by refining its sensibility measuring and acoustics analysis technologies and simulation technologies pertaining to musical instruments and audio equipment. By incorporating customer input and engaging with music together with customers, we have fostered a deep understanding of sensibilities founded on insight into perceptions, tastes, and values pertaining to sound and music. This understanding is a strength that competitors cannot mimic and an important factor that sets Yamaha apart from its rivals. For example, we are able to visualize all of the elements that comprise a sound through a combination of numerical data and word-based expressions of how the sound makes us feel.

This approach can enable a team to develop a shared understanding of the sound-related tastes and perceptions of a specific target performer, and to use this understanding to develop products based on the customer's needs. Going forward, we will continue to evolve these technologies to contribute to the development of more appealing products that better express their fundamental value.



Hidetaka Imamura

KANSEI Informatics Group
Core Technology Research Department
Research and Development Division
Technology Unit

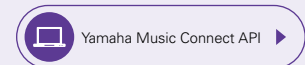
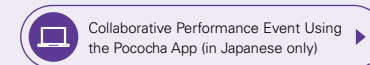
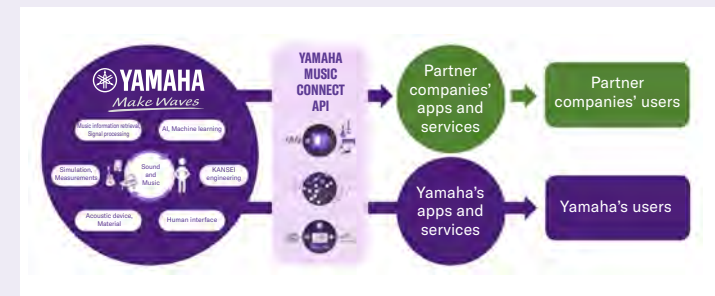


INITIATIVE THEME 2

Creation of Experiential Value Through Services

Yamaha has proposed the principle of “AI & Humans Working Together in Harmony” to help address the issues faced by performers and expand the musical-instrument-playing population. Based on this principle, we are moving ahead with research and development of music information-related technologies, examples of which include our score level arrangement technology and automated music generation technology. As one such initiative, Yamaha's score level arrangement technology, which allows for the production of part-specific piano sheet music arranged by difficulty, was utilized at a collaborative performance event using the Pococha live communication app of DeNA Co., Ltd. We were thereby able to split the original sheet music into sheet music divided into four difficulty levels to be provided to piano performers. This enabled performers to choose the sheet music that best matched their personal skill level, ensuring that any performer could enjoy performing. Furthermore, our score level arrangement technology and automated music generation technology are being supplied to business operators through Yamaha Music Connect API. We are thereby making our technologies available for addressing the various sound-related issues faced by customers in their everyday lives and in their businesses. Going forward, Yamaha will continue to engage in a wide range of collaborative projects to refine its technologies, develop solutions, and ultimately create experiential value that expands the possibilities for enjoying sound and music.

Yamaha Music Connect API



INITIATIVE THEME 3

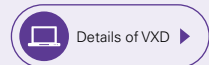
Co-Creation of Innovative Value with Society

Together with Keio University, Yamaha developed VXD, a voice-triggered system for controlling bass drums. Previous innovations from Yamaha have included Real Sound Viewing, a system that uses digital performance data to faithfully reproduce live performances by manipulating acoustic instruments. VXD, our latest innovation, adapts this technology for use by performers with adjustment made to the way sounds are triggered.

Under this system, a microphone and a sensor are used to track the performer's voice. When they say “don,” VXD will trigger vibration to produce sound from the bass drum. This system makes it possible for performers who have trouble using their legs for performances to play the drum with their voice. We are confident that such forward-looking undertakings for evolving to create the future will lead to the resolution of wide-ranging social issues, and we are thus committed to exploring new value through innovation.



Testing of VXD



INTELLECTUAL PROPERTY



Masahiro Ikeda

Operating Officer
Executive General Manager of Technology Unit

Review of Make Waves 2.0 and Policies Under Rebuild & Evolve

Under Make Waves 2.0, the previous medium-term management plan, we implemented reforms to our patent portfolio development process to better facilitate the appropriate acquisition and protection of intellectual property rights pertaining to the unique technologies born out of Yamaha's product and technology development activities. The aim of these reforms was to support the competitiveness of our business. As part of these reforms, we created evaluation standards for quantitatively assessing the asset value of patents and used these standards to promote the appropriate acquisition and protection of intellectual property rights while building consensus with business divisions. Through this approach, we have sought to assemble a patent portfolio that boasts both high benefits relative to investment and compatibility with business strategies. Furthermore, intellectual property strategy training sessions were arranged for planning, marketing, and other divisions to bolster understanding of intellectual property strategies and thereby heighten intellectual property literacy across the Group.

We will further evolve our intellectual property portfolio development process under Rebuild & Evolve, the new medium-term management plan, to help guide the future of Yamaha. To strengthen and grow existing businesses, we will heighten the appeal of products for strategic focus fields and add new dimensions to our intellectual property to encourage the efficient and effective development of future patent portfolios. At the same time, we will research intellectual properties to help explore and expand operations in new fields based on intellectual property information in order to contribute to the improvement of corporate value.

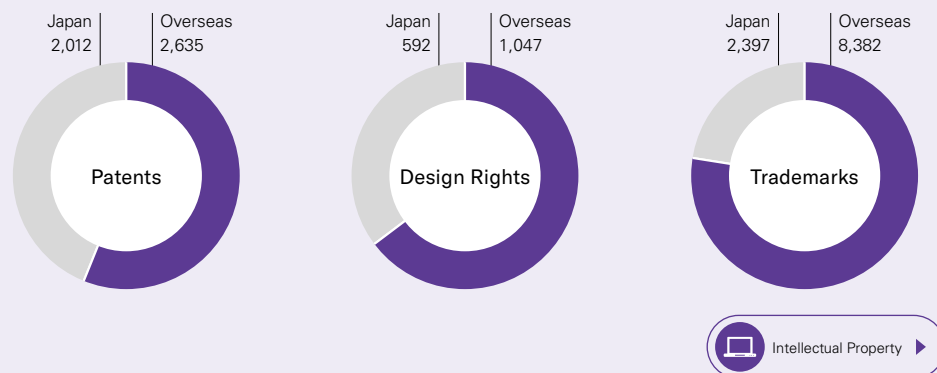
Basic Policy

Intellectual properties are an important part of our management asset portfolio. Steps are taken to appropriately acquire intellectual property rights pertaining to the new inventions, ideas, designs, and trademarks created over the course of our business. In addition, reports on intellectual property analyses looking at technology and market trends are submitted to management and to the relevant divisions in order to drive value creation and co-creative initiatives on a Groupwide basis.

Furthermore, intellectual properties are actively managed through such means as swift response to imitations of Yamaha intellectual properties.

By ensuring the appropriate protection and use of the intellectual properties of the Company and respect for the rights of others, we look to contribute to the development of a fair society that encourages technological innovation and cultural and artistic creation.

Number of Patents, Design Rights, and Trademarks Held by the Yamaha Group (As of March 31, 2025)



INITIATIVE THEME

Receipt of Invention Award in 2025 National Invention Awards in Relation to AFC Enhance Sound Field Support System

Yamaha Corporation received an invention award in the first section of the 2025 National Invention Awards program sponsored by the Japan Institute of Invention and Innovation for inventions related to its AFC (active field control) Enhance sound field support system. AFC Enhance employs technologies for controlling reverberation in a space using audio equipment. This system is capable of achieving optimal control of reverberation for various applications relevant to performances and is thereby able to provide facility users with sound and music experiences in a superior sound field. AFC Enhance has been used in a total of more than 200 facilities around the world, and is contributing to the invigoration of the audio equipment industry by driving the introduction of numerous new amps and speakers. Going forward, the Intellectual Property Division will continue to support business divisions through the protection of customer experience value and the acquisition of intellectual property rights for unique technologies that contribute to the growth of existing businesses.



Dai Hashimoto (left) and Takayuki Watanabe (right) at award ceremony

Award Details

Invention award	System for supporting sound fields by creating optimal reverberation (Patent No. 7447533)
Inventors	Takayuki Watanabe and Dai Hashimoto Spatial Audio Group, Speaker & Amplifier Development Department Professional Solutions Division Audio Products Business Unit



Manabu Kawada

Senior General Manager of Design Laboratory Technology Unit

Review of Make Waves 2.0 and Policies Under Rebuild & Evolve

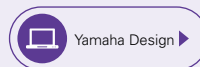
Under Make Waves 2.0, Yamaha's previous medium-term management plan, our product and service development activities were focused on sculpting new design expressions that can drive ongoing growth amid the changing times, continuing thought experiments for exploring our unwavering convictions, enhancing issue identification capabilities for engaging with social issues, and maximizing organizational creativity. These efforts are most apparent in the experience design principles on display at the brand-oriented shop opened in the Minatomirai area of Yokohama in June 2024 and the clarinets and TORCH T01 digital piano concept model we made by using unutilized materials left over from musical instrument production processes. These efforts contributed to the enhancement of Yamaha's brand value.

Our approach under Rebuild & Evolve, the new medium-term management plan, will entail rebuilding a strong business foundation and evolving to create the future. Through this approach, we will seek to respond to changes in the operating environment to achieve our goals of enhancing and evolving Yamaha designs, exploring new value with product proposals, fostering understanding through brand communications, and maximizing team creativity.

Basic Policy

Yamaha was quick to realize the importance of design, prompting it to set up a dedicated design organization in 1963 to establish a unique flair for the Company. Since then, this organization has continued to act as a proponent for the Group's product design activities with a small team of diverse professionals of various nationalities. Embracing the five elements of our design principle, this team is supporting the Yamaha brand. Each year, products and services designed by the team are submitted to various design competitions worldwide, where they are generally well received (see below). Alongside our product and service design efforts, we also engage in a variety of other design activities aimed at exploring the treasured values underpinning Yamaha's design principles. These activities include joint industry-academia research together with art universities around the world.

The role of design functions continues to expand, broadening out from product design to include contributions to branding activities. In the midst of this trend, Yamaha's Design Laboratory is tasked with exercising the Group's creativity as required by business strategies and social demand while maintaining its focus on product design.



Design Awards Received in 2024 and 2025



FGDP-50/FGDP-30 Finger Drum Pads
Red Dot Award: Product Design 2025
Good Design Award, Good Design Awards 2024



HA-L7A Headphone Amplifier
Red Dot Award: Product Design 2025
2025 iF Product Design Award



"Designed by Nature Clarinet" Series Prototype
Red Dot Award: Design Concept 2025

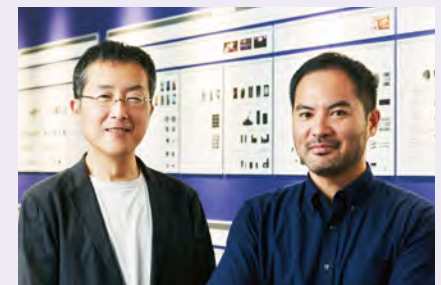
The Five Elements of Our Design Principle

INTEGRITY	Design that respects the essence of the object	UNOBTRUSIVE	Restrained design
INNOVATIVE	Creative design	SOCIAL RESPONSIBILITY	Design that meets the needs of today's society
AESTHETIC	Beautiful design		

INITIATIVE THEME

Yamaha Design Architecture for Stratifying and Expressing Yamaha's Identity

The Design Laboratory has been creating design architecture since 1998. This architecture serves as a visual representation stratifying and expressing Yamaha's identity, which itself has been shaped through the processes of presenting appealing expressions of our distinctive flair, competitive edge, product goals and purposes, and brand philosophy in product designs. By presenting a broader picture of these concepts that is not constrained by product genres, the design architecture clarifies the unifying principles and shared methodologies of Yamaha designs and serves as a reference for distinguishing which principles should be preserved and which may be adapted when designing products and services. In this manner, we continue to explore the latest avatar of Yamaha's identity while incorporating the concepts that have shaped it over the Company's long history.



Design Laboratory team members in front of design architecture chart

Yoshihiro Katsumata

Equipment Design Group Design Laboratory Technology Unit (left)

Toshihide Suzuki

Instruments Design Group Design Laboratory Technology Unit (right)



Keiko Sugiyama

Operating Officer
Senior General Manager of Brand Development Division

Review of Make Waves 2.0 and Policies Under Rebuild & Evolve

Inclusive music events embodying Yamaha's brand promise of Make Waves and corporate advertising campaigns focused on the aspirations of performers were deployed under Make Waves 2.0, the previous medium-term management plan. At the same time, smooth progress was made in introducing the Yamaha Music ID system for strengthening connections with customers. The brand communication base opened in the Tokyo metropolitan area in 2024, meanwhile, helped us forge ties with new customers and accelerate collaboration and co-creation with younger creators and musicians. These ongoing efforts have earned external recognition, resulting in the assessment of Yamaha's brand value score rising to U.S.\$2,501 million,* a year-on-year increase of 9%, in Interbrand Japan's Best Japan Brands 2025 ranking.

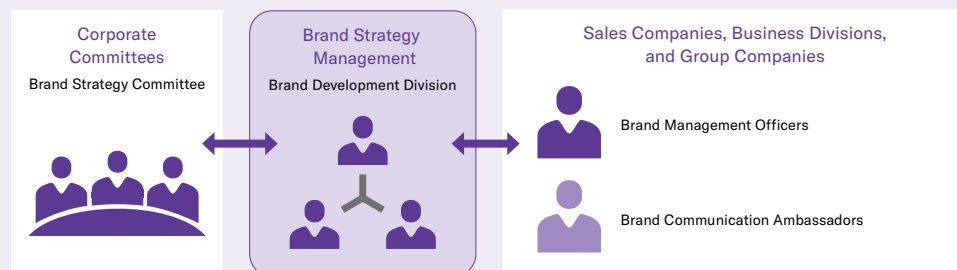
Under Rebuild & Evolve, the new medium-term management plan, we will accelerate global efforts to build brand recognition and gain fans while continuing unified communication and branding campaigns based on our brand promise to inspire feelings of attachment and understanding toward the Yamaha brand. In the past, Yamaha has faced issues in improving recognition and understanding among younger generations. To address these issues, we are tailoring communications in a manner that is mindful of our social impact and reputation. The Company is also ramping up internal branding efforts to foster a global cycle in which employees create customer experiences based on our brand promise to maximize our brand value.

* Figure represents the total value of the Yamaha brand developed by Yamaha Corporation and Yamaha Motor Co., Ltd.

Basic Policy

In the brand promise of Make Waves, unveiled in 2019, Yamaha promises to inspire peoples' passion and help them take a step forward to express their individuality, emotion, and creativity. By fulfilling this promise, we hope to inspire customers to feel an attachment with Yamaha. Global branding activities are being advanced toward this end. Specifically, we seek to maximize Yamaha's brand value through unified brand communication activities. This sense of unity is being pursued through coordination between the decisions made by management at corporate committees and the actions of the brand management officers and brand communication ambassadors appointed at Group companies and business divisions worldwide. Brand development divisions act as hubs to facilitate these efforts. Meanwhile, the Brand Strategy Committee, of which all executive officers are members, is responsible for determining focus areas and priority themes for brand activities based on management and business strategies. Brand management officers and brand communication ambassadors at Group companies and business divisions act in accordance with these Companywide policies to incorporate our brand promise into the brand measures of the appropriate companies.

Strategy Promotion Frameworks



INITIATIVE THEME

Branding PDCA Utilizing Global Brand Surveys

Yamaha conducts annual global brand surveys targeting general customers. These surveys are used to gauge recognition of the Yamaha brand, our brand image, market penetration rates, and levels of attachment by country and by age group based on Companywide branding strategies. Information on trends pertaining to these metrics is used to implement a plan-do-check-act (PDCA) cycle for branding activities by country and region. Recent surveys have indicated that the perceived emotional value of the Yamaha brand (the degree of emotional satisfaction and understanding customers feel toward our products and services) has been rising steadily in various countries and regions. This is an area where Yamaha has struggled in the past. We believe this improvement to be a result of efforts to promote experiential value based on our brand promise and of our unified approach toward communication activities. In fiscal 2025, we shared survey results through internal business intelligence tools for the first time, thereby introducing infrastructure for utilizing this data at business divisions. Going forward, we will work to contribute to higher corporate value through a focus on data utilization to enable business divisions to formulate effective sales measures for their target customer demographics.



Kanako Motohashi

Brand Strategy Group
Corporate Branding Division
Brand Development Division

DIGITAL TRANSFORMATION



Taro Tokuhiro

Executive Officer
Executive General Manager of Operations Unit

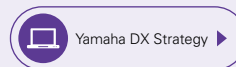
Review of Make Waves 2.0 and Policies Under Rebuild & Evolve

Under Make Waves 2.0, the previous medium-term management plan, we moved forward with core system redevelopment and other process reforms powered by digital technologies while also taking steps to standardize processes. Meanwhile, we continued to expand our selection of available training programs to foster digital transformation human resources. In fiscal 2025, over 2,600 employees took part in such programs, contributing to the aggregate total of more than 4,300 individuals who have used business intelligence or artificial intelligence tools in their work. We have also seen improvements in employee IT literacy and more active utilization of data in-house.

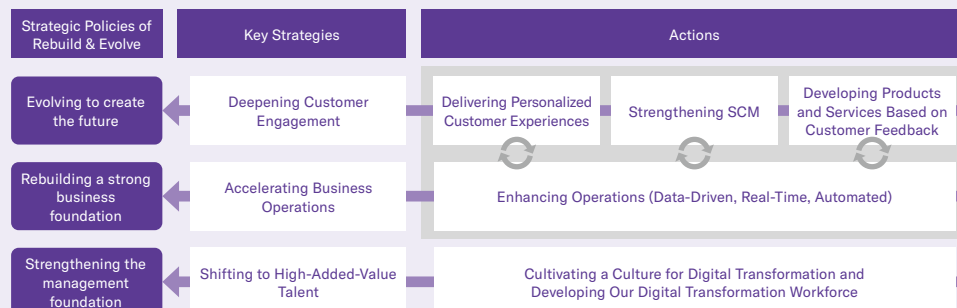
Based on our strategic policies of Rebuild & Evolve, the new medium-term management plan, puts forth the three key digital transformation strategies of deepening customer engagement, accelerating business operations, and shifting to high-added-value talent. By advancing measures based on these policies, we look to reform our processes using advanced digital technologies in order to form end-to-end connections between customers and Yamaha and thereby improve corporate value.

Basic Policy

At Yamaha, the Digital Transformation Strategy Committee has been established under the supervision of the Board of Directors to serve as an advisory body to the president. This committee is tasked with discussing Groupwide digital transformation policies and IT strategies. The goal of Yamaha's digital transformation strategies is to transform businesses and processes to adopt a customer-oriented perspective with digital technologies. The committee played a central role in categorizing the Company's business processes into five process areas (customer contact points; planning, research, and development; production; supply; and accounting, human resources, and other administrative operations), which have been further subdivided based on three perspectives (data, systems, and business processes). Policies and rules have been clearly defined based on these categorizations to encourage changes in decisions and actions and thereby facilitate the transformation of processes on a Groupwide scale.



Overview of Strategies



INITIATIVE THEME

Core System Redevelopment to Accelerate Business Speed

Since the period of the prior medium-term management plan, Yamaha has been redeveloping its core systems in an attempt to accelerate its business speed. By introducing shared global systems, we aim to standardize and integrate processes that previously varied from company to company. Prior to fiscal 2025, we had completed the redevelopment of core systems at a total of eight production bases in India, China, and Indonesia as well as three sales companies in Australia, the Philippines, and Europe. We have since seen improvements in operating processes at these bases, and have been expanding the scope of introduction of these systems at other bases under the current medium-term management plan. At the same time, the Company has been deploying new supply chain management systems at business divisions and sales companies while also redeveloping its product data management systems. Through these reforms, we are working to construct cross-organization frameworks for in-the-moment coordination of data from processes ranging from development to sales. By swiftly introducing these frameworks, we are targeting contributions to operational efficiency and to worldwide sales growth.



Kenta Hashimoto

Administration Unit
Yamaha Music Europe GmbH

SECTION 5

GOVERNANCE

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DIRECTORS As of June 30, 2025



1 Takuya Nakata
Chairman of the Board of Directors

5 Naoko Yoshizawa
Independent Outside Director

2 Atsushi Yamaura
Director, President and
Representative Executive Officer

6 Naho Ebata
Independent Outside Director

3 Paul Candland
Independent Outside Director

7 Shuji Ito
Independent Outside Director

4 Hiromichi Shinohara
Independent Outside Director

8 Saimon Nogami
Independent Outside Director

1 Takuya Nakata

Chairman of the Board of Directors
Number of shares owned: 290,700

3 Paul Candland

Independent Outside Director
Number of shares owned: 3,400

1985 Joined Owens Corning
1987 Joined PepsiCo, Inc.
1994 President of Okinawa Pepsi-Cola, Inc.
1998 Representative of Japan Branch, PepsiCo International Ltd.
Representative Director and General Manager of The Disney Store Japan, Inc.
2002 Managing Director of Walt Disney Television International Japan of The Walt Disney Company (Japan) Ltd.
2007 Representative Director and President of The Walt Disney Company (Japan) Ltd.
2014 President of The Walt Disney Company, Asia
2018 Managing Director of PMC Partners Co., Ltd. (to the present)
2019 Outside Director of Yamaha Corporation (to the present)
CEO of Age of Learning, Inc.
2022 Outside Director of Dentsu Group Inc. (to the present)

6 Naho Ebata

Independent Outside Director
Number of shares owned: 0

2000 Registered as an attorney. Joined Abe, Ikubo & Katayama Law Firm
2004 Specialist of Legislative Affairs Office, General Coordination Division, Policy Planning and Coordination Department, Japan Patent Office
2008 Partner of Abe, Ikubo & Katayama Law Firm (to the present)
2020 Outside Director (Audit and Supervisory Committee Member) of ABIST Co., Ltd. (to the present)
2022 Provisional Corporate Auditor (a person who is meant to temporarily perform the duties of a Company Auditor) of 3-D Matrix, Ltd.
Outside Corporate Auditor of Brave group Inc. (to the present)
2023 Outside Director of Yamaha Corporation (to the present)

2 Atsushi Yamaura

Director, President and Representative Executive Officer
Number of shares owned: 58,052

4 Hiromichi Shinohara

Independent Outside Director
Number of shares owned: 3,400

1978 Joined Nippon Telegraph and Telephone Public Corporation
2003 Head of Access Service System Laboratory of NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT)
2007 Head of the Information Sharing Laboratory Group of NTT
2009 Senior Vice President, Head of Research and Development Planning, Member of the Board of NTT
2012 Executive Vice President, Head of Research and Development Planning, Member of the Board of NTT
2014 Senior Executive Vice President, Head of Research and Development Planning, Member of the Board of NTT
2018 Chairman of the Board of NTT
2021 Outside Director of Yamaha Corporation (to the present)
2023 Outside Director of Mizuho Financial Group, Inc. (to the present)

7 Shuji Ito

Independent Outside Director
Number of shares owned: 0

1979 Joined Calbee, Inc.
2001 Executive Officer and COO of the East Japan Company of Calbee, Inc.
2004 Director, Executive Officer, and COO of the Jagarico Company of Calbee, Inc.
2006 Director, Executive Managing Officer, and the Controller of the Marketing Group of Calbee, Inc.
2009 President & COO, Representative Director of Calbee, Inc.
2018 President & CEO, Representative Director of Calbee, Inc.
2023 Director of Calbee, Inc.
2024 Outside Director of Tohoku Electric Power Co., Inc. (to the present)
2025 Outside Director of Yamaha Corporation (to the present)

5 Naoko Yoshizawa

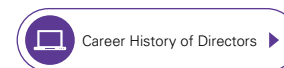
Independent Outside Director
Number of shares owned: 0

1988 Joined Fujitsu Limited
2009 Vice President of Mobile Phones Unit of Fujitsu Limited
2011 Head of Global Research & Development Center of Fujitsu Laboratories of America, Inc.
2016 Deputy Head of Advanced System Research & Development Unit and Head of AI Promotion Office of Fujitsu Limited
2017 Corporate Executive Officer and Head of AI Platform Business Unit of Fujitsu Limited
2018 Corporate Executive Officer, EVP and Vice Head of Digital Services Business of Fujitsu Limited
Corporate Executive Officer, EVP of Fujitsu Limited, CEO of FUJITSU Intelligence Technology Ltd.
2019 Corporate Executive Officer, EVP and Evangelist of Digital Software & Solutions Business Group of Fujitsu Limited
2020 Director of knowledge piece Inc. (to the present)
2021 Outside Director of Nitori Holdings Co., Ltd. (to the present)
Outside Director of Yamaha Corporation (to the present)

8 Saimon Nogami

Independent Outside Director
Number of shares owned: 0

1984 Joined NSK Ltd.
2011 Executive Officer, Deputy Head of Industrial Machinery Business Division HQ of NSK Ltd.
2013 Director, Senior Vice President, Head of Corporate Planning Division HQ of NSK Ltd.
2015 Director, Representative, Executive Vice President, Head of Corporate Strategy Division HQ of NSK Ltd.
2017 Director, Representative, Executive Vice President, CFO, Head of Corporate Strategy Division HQ of NSK Ltd.
2019 Director, Senior Executive Vice President, CFO of NSK Ltd.
2023 Director of NSK Ltd. (to the present)
2024 Outside Director of Yasuda Logistics Corporation (to the present)
2025 External Director (Audit & Supervisory Committee Member) of Nomura Real Estate Holdings, Inc. (to the present)
Outside Director of Yamaha Corporation (to the present)



Career History of Directors ▶

COMPOSITION OF THE BOARD OF DIRECTORS As of June 30, 2025

Name	No. of Years of Service	Committee Membership*1 and Meeting Attendance*2					Expertise of Directors						Reasons for Appointment
		Board of Directors	Nominating Committee	Compensation Committee	Audit Committee	Corporate management	Legal affairs and risk management	Finance and accounting	IT and digital technologies	Manufacturing, technology, and R&D	Sales and marketing	Global operations	
Takuya Nakata Chairman of the Board of Directors	13	◎ 13/13	○ 4/4	○ 4/4		●			●	●	●	●	Having served in positions such as general manager of our Pro Audio & Digital Musical Instruments Division, and president and director of Yamaha Corporation of America, Mr. Takuya Nakata has a wealth of experience and a robust track record of achievements alongside broad insight in business. He has led the Group as president and representative director since June 2013, and as director, president and representative executive officer since June 2017. Mr. Nakata was also integral in guiding corporate governance reforms, such as the transition to the company with nominating committee, etc. structure, and has thereby contributed to the enhancement of the oversight function of the Board of Directors. He has been appointed as a director on expectations that he will help further strengthen the oversight function of the Board of Directors.
Atsushi Yamaura Director, President and Representative Executive Officer	1	○ 11/11				●			●	●		●	Having a background in the development of new businesses and served in positions such as senior general manager of the Digital Musical Instruments Division, executive general manager of the Musical Instruments Business Unit, and president of Yamaha Music & Electronics (China) Co., Ltd., Mr. Atsushi Yamaura has a wealth of experience and a robust track record of achievements alongside broad insight in business. He has led the Group as president and representative executive officer since April 2024 and as director, president and representative executive officer since June 2024. He has been appointed as a director on expectations that he will help further strengthen the oversight function of the Board of Directors.
Paul Candland Independent Outside Director	6	○ 13/13	○ 4/4	◎ 5/5		●			●		●	●	Having been involved in management as the person responsible for the Asian region and the Japanese firms of a global entertainment company, Mr. Paul Candland has a wealth of experience and achievements alongside broad insight as a corporate officer as well as in-depth knowledge of brand and marketing. He has been appointed as a director on expectations that he will help further strengthen the oversight function of the Board of Directors.
Hiromichi Shinohara Independent Outside Director	4	○ 13/13	◎ 4/4	○ 5/5		●			●	●		●	Having been involved in management as the representative director of one of the largest global telecommunications and ICT companies in Japan, Mr. Hiromichi Shinohara has a wealth of experience and a robust track record of achievements alongside broad insight as a corporate officer. He also has wide-ranging and in-depth knowledge of telecommunications systems and electronics. He has been appointed as a director on expectations that he will help strengthen the oversight function of the Board of Directors.
Naoko Yoshizawa Independent Outside Director	4	○ 13/13			○ 17/17	●			●	●		●	Having been involved in management as an executive officer of one of the largest global electronics and ICT companies in Japan and as the CEO of its overseas Group company, Ms. Naoko Yoshizawa has a wealth of experience and achievements alongside broad insight as a corporate officer. She also has a high degree of expertise in digital and AI technologies. She has been appointed as a director on expectations that she will help strengthen the oversight function of the Board of Directors.
Naho Ebata Independent Outside Director	2	○ 13/13			○ 17/17		●					●	With a mastery of domestic and overseas corporate law, corporate governance, and intellectual properties gained as an attorney, Ms. Naho Ebata has a high degree of expertise, wealth of experience, and strong track record of achievements alongside broad insight. She has been appointed as a director on expectations that she will help strengthen the oversight function of the Board of Directors.
Shuji Ito Independent Outside Director	—	○ —	○ —	○ —		●				●	●	●	Having been involved in management as the president of a major confection and food manufacturer, Mr. Shuji Ito has a wealth of experience and a robust track record of achievements alongside broad insight as a manager as well as in-depth knowledge of marketing. He has been appointed as a director on expectations that he will help strengthen the oversight function of the Board of Directors.
Saimon Nogami Independent Outside Director	—	○ —			◎ —	●	●	●				●	Having been involved in management as a representative and executive vice president of one of Japan's leading global industrial machinery manufacturers, Mr. Saimon Nogami has a wealth of experience and a robust track record of achievements alongside broad insight as a manager. He also has in-depth knowledge of corporate planning and finances. He has been appointed as a director on expectations that he will help strengthen the oversight function of the Board of Directors.

*1 ◎ : Chairperson; ○ : Member *2 Attendance figures are for fiscal 2025.

Note: The Company has submitted notification to the Tokyo Stock Exchange to designate Paul Candland, Hiromichi Shinohara, Naoko Yoshizawa, Naho Ebata, Shuji Ito, and Saimon Nogami as independent directors as described in the provisions set forth by the Tokyo Stock Exchange.

Reasons for Seeking Specific Areas of Expertise in Directors

The Nominating Committee has identified the areas of expertise deemed to be important for supporting growth and reliable corporate management based on Yamaha's management vision and medium- to long-term management directives and business strategies.

Corporate management	Directors with corporate management experience and track records are necessary to support Yamaha in continuing to co-create social value and contribute to the development of a sustainable society, regardless of how the operating environment may change.
Legal affairs and risk management	Ensuring highly effective corporate governance will require directors with specialized corporate law insight and practical experience as well as skills and knowledge related to tracking and managing risks.
Finance and accounting	Directors with expertise and practical management experience related to finance and accounting are necessary to support the Company in maintaining a firm financial position and in implementing investment and financial strategies for improving corporate value over the medium to long term.
IT and digital technologies	Advancing growth strategies will require directors with experience promoting digital transformation and with skills and insight pertaining to transforming business models and operating processes through digital technologies.

Manufacturing, technology, and R&D	Steadily evolving operating foundations will require directors with sophisticated manufacturing management experience as well as specialized R&D insight and practical experience pertaining to the creation and utilization of new technologies.
Sales and marketing	Growing sales will require directors with skills and insight related to improving customer satisfaction and corporate value through the provision of accurate information and high-value offerings.
Global operations	Given Yamaha's high ratio of overseas sales, it is important for the Company to have directors with business experience at companies developing global operations and robust knowledge pertaining to overseas lifestyles and cultures.

EXECUTIVE OFFICERS, OPERATING OFFICERS, AND AUDIT OFFICERS As of June 30, 2025

President and Representative Executive Officer



Atsushi Yamaura

Managing Executive Officers



Seiichi Yamaguchi

Executive General Manager of Musical Instruments Business Unit



Masato Oshiki

Deputy Executive General Manager of Musical Instruments Business Unit and Deputy Executive General Manager of Audio Products Business Unit

Executive Officers



Toshiaki Goto

Deputy Executive General Manager of Musical Instruments Business Unit and Deputy Executive General Manager of Audio Products Business Unit



Taro Tokuhira

Executive General Manager of Operations Unit



Nobukazu Toba

Executive General Manager of Audio Products Business Unit



Jun Nishimura

Executive General Manager of Corporate Management Unit

Operating Officers



Thomas Sumner

President of Yamaha Corporation of America



Yutaka Matsuki

Senior General Manager of Piano Division, Musical Instruments Business Unit



Masahiro Ikeda

Executive General Manager of Technology Unit



Masamitsu Kitase

Senior General Manager of New Business Development Division



Keiko Sugiyama

Senior General Manager of Brand Development Division



Seiji Abe

Senior General Manager of Digital Musical Instruments Division, Musical Instruments Business Unit

Audit Officers



Yasushi Nishiyama

Senior General Manager of Audit Committee's Office



Hirofumi Yamashita

Senior General Manager of Internal Auditing Division

DISCUSSION BETWEEN OUTSIDE DIRECTORS

Corporate Governance Encouraging Appropriate Risk-Taking and Swift Action to Enhance Management and Improve Corporate Value

Yamaha announced its new Rebuild & Evolve medium-term management plan in May 2025. The following is a conversation between five individuals who were outside directors at the time of the conversation (June 2025) and the chairman of the Board of Directors, in which they reflect on the discussion process through which the plan was forged and talk about their thoughts on offering oversight and advice at this new phase for executive management.



- 1 **Takuya Nakata** Chairman of the Board of Directors
- 2 **Mikio Fujitsuka** Independent Director (Resigned on June 20, 2025)
- 3 **Paul Candland** Independent Director
- 4 **Hiromichi Shinohara** Independent Director
- 5 **Naoko Yoshizawa** Independent Director
- 6 **Naho Ebata** Independent Director

Strategic Challenges of Achieving Speed and Innovation

Nakata Could you please tell me about what issues you saw with regard to Yamaha's management when we started the discussion process for formulating the new medium-term management plan?

Candland The biggest issue I saw was Yamaha's ability to swiftly innovate its products and services and to tie this innovation to future progress in response to rapidly changing customer needs and technological advancements.

Fujitsuka I also saw medium- to long-term issues in relation to speed and innovation. Sales growth began to struggle two or

three years ago, prompting the executive team to explore new outlets for growth based on new themes and M&A activities. However, these efforts have yet to produce clear results. As a member of the Audit Committee, I speak with the executive team on a regular basis. During such conversations, I could not help but sense the need to expedite the making and implementation of decisions.

Yoshizawa Yamaha has a competitive brand, a diverse portfolio of sound- and music-related technologies fostered over its more than 135-year history, and the support of an employee base that is passionate about sound and music. However, the assets it has amassed over this long history have culminated in conservative trends. I think there are times in which Yamaha needs to be swifter with its inputs and its actions.

Shinohara Accelerating innovation may sometimes require Yamaha to deviate from its prior emphasis on creating 100 out of 100 products. It is, of course, important to apply the processes that have been developing hardware such as musical instruments and audio equipment. However, there are also cases in which it might be better to adopt an agile approach of releasing products and services that are 70% or 80% finished into the market to gauge the response and refine those offerings based on user feedback. With this regard, Yamaha Music Innovations, a business development base established in Silicon Valley in April 2024, was converted into a corporate entity in January 2025. This move was meant to facilitate the acceleration of open innovation on a global scale. Another move to this end was the establishment of a corporate venture capital fund to engage in collaborative ventures with various start-ups. I think that such changes in course by management are something we should applaud.

Nakata As Yamaha advances various activities to get back to a growth track, the executive team has become keenly aware of the need to ramp up the speed of management.

Fujitsuka The discussion process for formulating the new medium-term management plan really picked up in April 2024, right when Atsushi Yamaura assumed the position of president. The recent major decisions we have seen, such as the change in organization structure and the reorganization of piano production systems to accommodate market changes, seem emblematic of management's strong commitment to addressing the issue of speed that has been mentioned. I believe it is incredibly

meaningful that the new medium-term management plan was founded on such decisions.

Candland During the period of the previous medium-term management plan, Yamaha had to respond to some really abrupt and massive changes, like the COVID-19 pandemic, the parts shortages that resulted from the ensuing supply chain disruptions, and the contraction of the Chinese market. Even amid this adversity, we were able to engage in swift and open discussion together with newly appointed President Yamaura, with his fresh perspective. I have a lot of praise for this.

Stakeholder Understanding that Can Be Gained by Presenting Clear Strategies

Nakata Discussions at meeting of the Board of Directors have given us a clear understanding of the strategic themes, such as speed, innovation, and growth. While looking at these themes, I want to reflect on the matters discussed in the intensive examinations at Board meetings of the plan measures formulated by the executive team.

Ebata Over the years, Yamaha has been forced to lower its performance forecasts midway through a fiscal year on numerous occasions. Such occurrences have made me concerned for the possibility of damage to the trust of the market and of investors. Accordingly, I have been emphasizing the importance of management expressing a strong commitment to its numerical targets in recovering lost trust.

Shinohara When it comes to growth, I have pointed out the need to pursue bottom-line growth, as opposed to focusing purely on top-line growth. In the pursuit of bottom-line growth, it is important not to spread resources too thin by trying to do everything at once. Rather, a focused approach should be adopted based on an understanding of which fields require strategic attention and which do not.

Ebata Going forward, I believe it will be more important than ever to really think about where capital and people should be allocated and in what fields a more aggressive approach may be required versus what fields cementing

foundations should be the priority. The diverse lineup of product and services Yamaha offers as a comprehensive musical instruments manufacturer grant it the strength to address various needs in education and other fields. At the same time, however, this reality has led the Company to disperse its investments across a wide variety of fields.

Shinohara I told the executive team that it needed to present, in the new medium-term management plan, concrete examples of how it would be strategically focusing investments and building its portfolio, rather than leaving everything in vague general terms. The same goes for the new value Yamaha will provide through music, and we discussed exactly what constituted that value in concrete terms.

Yoshizawa I personally encouraged management to put forth convincing targets based on numbers in the long-term vision laid out in the new medium-term management plan. One option for setting these targets I proposed was to define specific key performance indicators. In addition, a lot of points have been brought up at Board meetings about the plan's key strategy of setting sustainability as a source of value, which was also one of the key strategies of the prior medium-term management plan. For example, many directors have questioned whether certain targets were appropriate and whether they were convincing to internal and external stakeholders.

Nakata Being told of the importance in gaining stakeholder understanding of how we communicate our strategies really changed how the executive team thought about things. I believe that everyone really paid attention to whether or not our explanations would be convincing to employees as well as to shareholders and other investors when formulating the plan.

System Revisions to Encourage Risk-Taking and Ambition

Nakata We often receive questions from shareholders and other investors about whether or not our plan-do-check-act cycle is functioning effectively. Given this concern, what points do you think we should focus on when monitoring the implementation of the new medium-term management plan?

Candland If Yamaha were to work toward greater transparency, making all information readily available, it would contribute to



greater trust. It is also important for people inside the Company to have open access to information. This contributes to faster decision-making and execution.

Yoshizawa Whether at meetings of the Audit Committee or of the Board of Directors, I don't want to limit myself to just pointing out issues. Rather, I want to be even more aggressive in encouraging the executive team to take swift action to tackle these issues and provide feedback on these matters.

Ebata I intend to focus on whether frontline organizations are being quick in detecting and responding to signs of change. Society is changing at a breakneck pace, and Yamaha is certain to fall behind if it cannot achieve this speed. From a medium- to long-term perspective, avoiding taking risks due to excessive risk aversion is actually a risk in and of itself. This is why I want to encourage management to take risks as appropriate. I also hope to support the Company in fostering an environment in which it is easy for those on the front lines to speak up when they see signs of change.

Candland The 2025 revision to the officer compensation system was one way that we sought to encourage risk-taking and ambition. In the past, the officer compensation system only contained provisions for reducing compensation should the Company fail to meet its targets. This could also be taken to mean that there were no incentives to exceed said targets. That is why we expanded the portion of compensation tied to results under the new system. We should not merely be satisfied with accomplishing our targets. Rather, we should seek to greatly surpass these targets. This type of commitment is important for employees and managers alike, and even more important for members of the executive team.

Nakata I have always believed that it is important to be vocal and assertive in voicing your opinion, contrary to what is commonly believed in Japan. I really appreciate all of your input, and I hope that management will use this input to push Yamaha forward, even if it sometimes means butting heads with President Yamaura.

Enhancement of Management Using Diverse Opinions

Nakata Lastly, could you please share what you see as your role as directors?

Shinohara Yamaha is currently facing the challenge of getting back to a growth track. In this challenging time, it is sometimes necessary to offer some more scathing or aggressive comments. Yamaha's management is already incredibly thoughtful, but I want to do what I can to help them achieve an even higher level of thoughtfulness. A multifaceted approach is required when implementing reforms. Fortunately, Yamaha has an unmatched strength in terms of its position as a comprehensive musical instruments and audio equipment manufacturer. I hope to help Yamaha maintain this strength while further strengthening the Company.

Ebata Yamaha is looking to increase the representation of women in management positions, but the ratio of female managers has yet to reach 20%. As a woman, a director, and—not to mention—someone on the younger side, I believe that it is imperative for the Board of Directors to increase its diversity. Accordingly, my role goes beyond just using my expertise to perform my duties as a member of the Audit Committee; I also want to contribute to the creation of new value through discussions with management based on differing sets of beliefs as well as changing consumer tastes, which have been undergoing significant change as of late.

Candland I have a unique perspective as someone who is not Japanese. Based on this perspective, I feel it is my duty to be straightforward in pointing out things that others might be hesitant to say. Also, with the insight gained from my experience in corporate management, I believe that I have a role to play in helping set priorities, determining what fields Yamaha should focus on pursuing growth, and facilitating the adoption of new technologies.

Yoshizawa I see my role as being to constantly encourage management to be mindful of change, to detect signs of change, and to respond with quick action. As members of the Audit Committee, we join

in on audits, which gives us the opportunity to see how the way things are perceived might differ between management and the front lines. We therefore have a responsibility to communicate the disparities we notice during frontline audits to management and to prod them to respond with prompt action.

Fujitsuka First and foremost, the job of directors is to help Yamaha achieve its financial targets. At the same time, directors must support management in monitoring the progress of the new medium-term management plan in making any course corrections that might be warranted by emergent issues, and in ensuring that the frontline organizations are able to accomplish their goals. I may be resigning from my position in June 2025, but I still plan to keep my eyes on Yamaha even after I depart.

Nakata Yamaha is lucky to have a Board member by individuals with such diverse backgrounds and expertise. I am once again reminded of how important it is that we incorporate your advice and guidance throughout management. I also plan to be diligent in checking to ensure that the executive team offers feedback with regard to the matters discussed at Board meetings to drive the further enhancement of management.



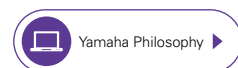
CORPORATE GOVERNANCE

Basic Policies for Corporate Governance

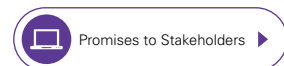
The Yamaha Group aims to create a society that supports the “Well-Being of People around the World.” To achieve this goal, we have set forth the Yamaha Philosophy as our corporate philosophy along with our Promises to Stakeholders, which apply to all related parties, and will work to ensure sustainable growth and to enhance corporate value over the medium to long term. At the same time, based on the Basic Policies for Corporate Governance presented below, we will implement management structures as well as organizational systems and frameworks while practicing quality business management in a transparent manner through the appropriate disclosure of information.

Basic Policies for Corporate Governance

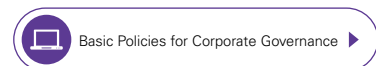
- From a shareholder’s perspective, ensure the rights and equal treatment of shareholders
- Taking into consideration our relationships with all stakeholders, proactively fulfill the Company’s social responsibilities
- Ensure that information is disclosed appropriately and that management is transparent
- By separating the oversight and executive functions and strengthening the oversight function, ensure that the Board of Directors is highly effective while at the same time executing decisions appropriately and with a sense of urgency
- Proactively engage in dialogue with shareholders



Yamaha Philosophy ▶



Promises to Stakeholders ▶



Basic Policies for Corporate Governance ▶

Evolution of Corporate Governance Systems

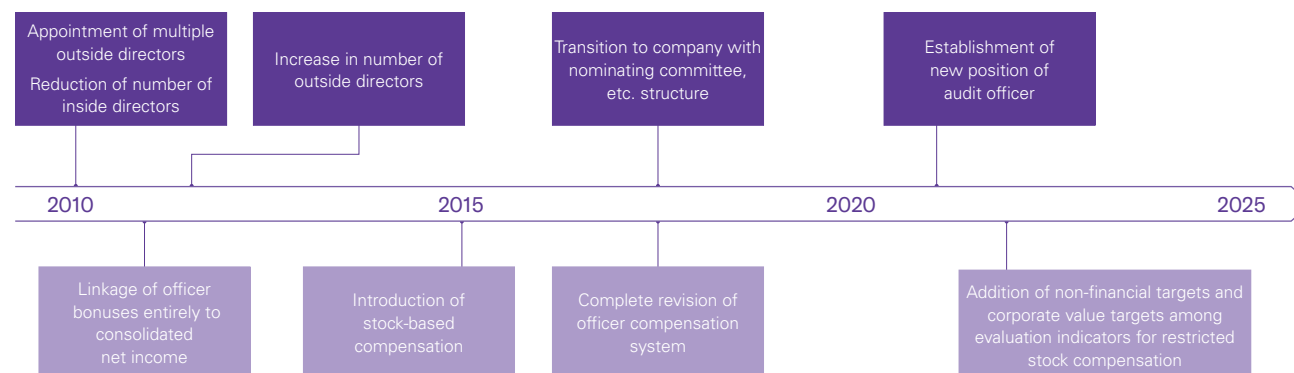
Yamaha views corporate governance as fundamental for improving the quality of overall management, and as an essential aspect of sustainable development for a corporation. Furthermore, the Company is aware of the need to constantly reform and improve corporate governance systems once they have been put into place.

Yamaha has consistently taken steps to strengthen corporate governance, such as introducing an operating officer system in 2001; appointing an outside director and establishing the nominating and compensation committees on a voluntary basis in 2003; reducing the number of inside directors and appointing multiple outside directors in 2010; and formulating the Corporate Governance Policies in 2015. In addition, in June 2017 the Company transitioned to a company with nominating committee, etc. structure and appointed its first female independent outside director; in June 2019 the Company appointed its first foreign national as an independent outside director; and in April 2020 the Company established the new position of audit officer.

Initiatives for Separating the Oversight and Executive Functions

The Board of Directors determines important matters—such as basic management policies—required by laws and ordinances, the articles of incorporation, and the rules of the Board of Directors. Authority for important decisions pertaining to business execution is delegated to executive officers from the Board of Directors, and matters related to these decisions that must be reported to the Board of Directors are defined by the rules of the Board of Directors. By adhering to these rules and requiring related procedures and approvals to be conducted in a rational manner, the Board of Directors exercises its oversight function. Executive officers regularly report on the status of business execution to the Board of Directors, and the Board of Directors oversees business execution by executive officers. The Audit Committee audits the execution of duties by directors and executive officers based on audit standards and audit plans. To ensure that executive officers, operating officers, and audit officers are able to perform their duties efficiently, the Company has established rules for these officers and provisions for this purpose are included in the rules for the Managing Council.

Reinforcement of Oversight Functions

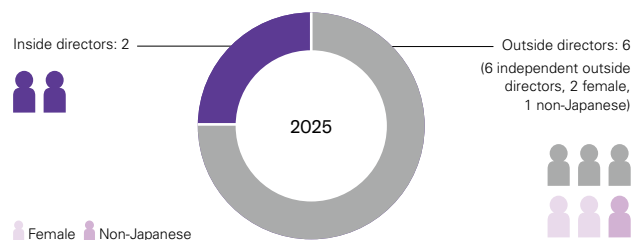


Performance-Linked Compensation

Reinforcement of Oversight Functions

In a bid to strengthen oversight functions and accelerate operational execution, the Company has separated functions for business oversight and execution. Yamaha has reinforced oversight functions by increasing the ratio of independent outside directors. As of June 20, 2025, independent outside directors comprised three-fourth of the members on the Board of Directors.

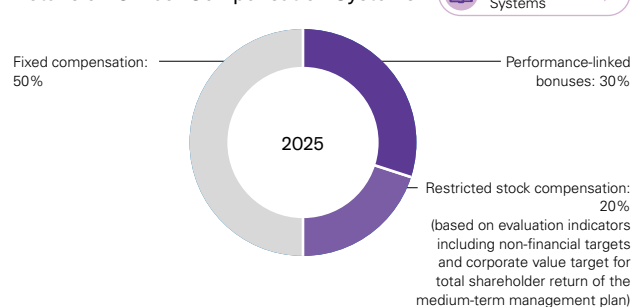
Ratio of Outside Directors



Performance-Linked Compensation

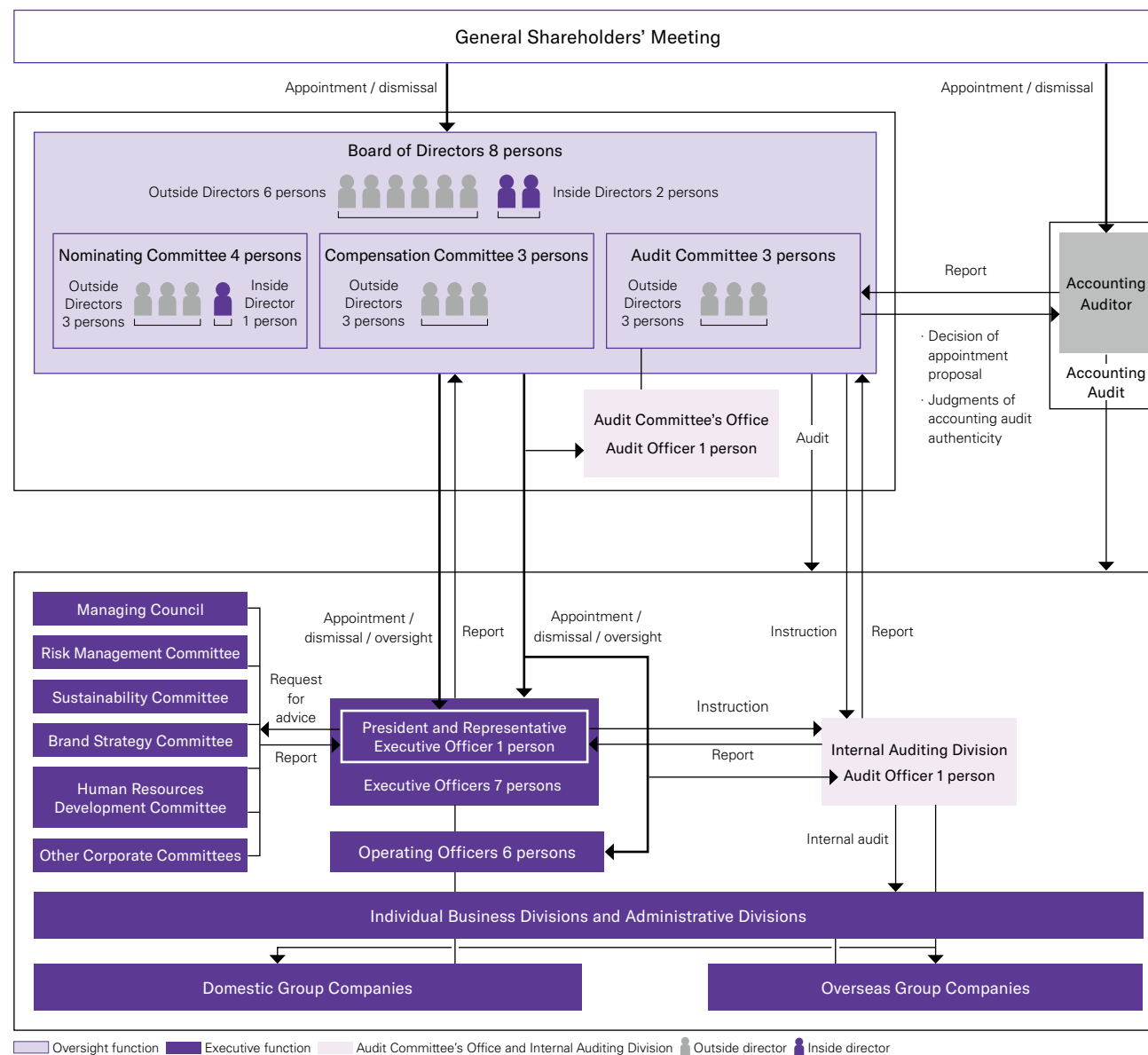
In 2017, Yamaha increased the ratio of performance-linked compensation for directors responsible for business execution and executive officers after completely revising the officer compensation system with the objective of aligning the values of management with shareholders and providing sound incentives that link the compensation system to enhancements in corporate value over the medium and long term while sustaining growth.

Details on Officer Compensation Systems



Note: The Company includes claw-back clauses in agreements that require the return of all or a portion of restricted shares transferred to officers on an accumulated basis without compensation in the event of serious cases of accounting fraud or major losses, depending on the responsibility of the officers in charge.

Corporate Governance Structure (As of June 20, 2025)



Process and Standards for Selecting Officers, etc.

Regarding the selection of candidates for director positions, the Nominating Committee screens candidates based on the basic qualifications desirable for the roles, in addition to personnel requirements, taking into account their competencies, experiences, and achievements. Another factor taken into account in the selection of candidates is the Company's skill matrix, which indicates the areas of specialty required to advance management strategies. The Nominating Committee also composes the nomination proposals submitted to the General Shareholders' Meeting.

Regarding the selection of members and heads of the Nominating, Audit, and Compensation committees, the Nominating Committee screens candidates based on personnel requirements defined by the role of the committee, and decides the content of nomination proposals submitted to the Board of Directors. The Nominating Committee elicits the opinions of the Audit Committee before selecting candidates for members and the head of the Audit Committee.

The Nominating Committee screens candidates for executive officer positions based on the basic qualifications desirable for the role, in addition to personnel requirements, taking into account their competencies, experiences, and achievements. The Nominating Committee also composes the nomination proposals submitted to the Board of Directors.

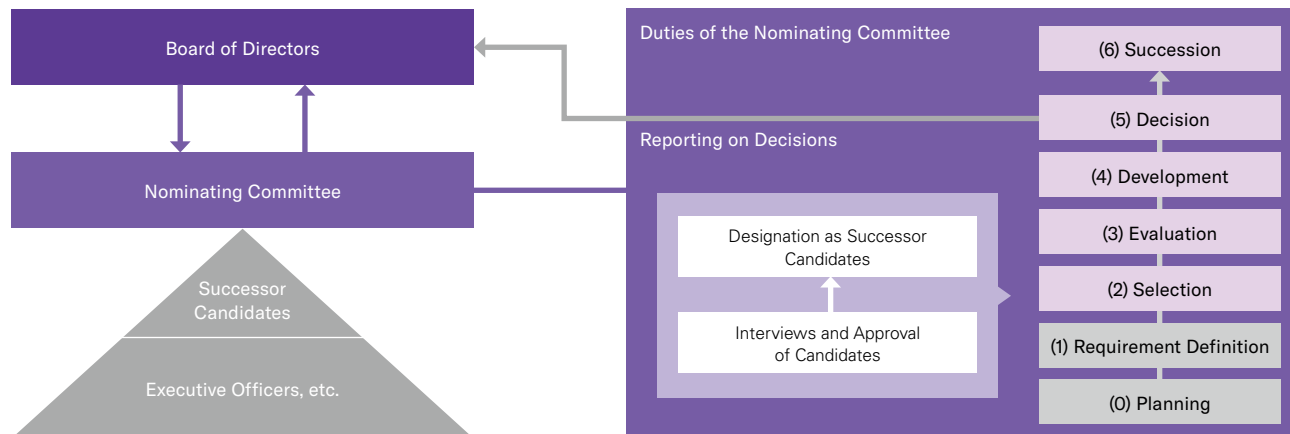
The Nominating Committee screens candidates for operating officer and audit officer positions based on personnel requirements defined by the role they are expected to perform. The Nominating Committee also composes the nomination proposals submitted to the Board of Directors. Input is solicited from the Audit Committee prior to nominating audit officers.

Succession Plans for Representative Executive Officer and Other Officers

After defining systems and personnel requirements, the Nominating Committee follows a personnel selection, evaluation, and development process for determining successor candidates. The implementation of the succession plans for the president and other members of management is overseen by the Board of Directors.

From an early stage, Yamaha ensures there is adequate time and opportunities to carry out succession plans, by having the Nominating Committee advise on the screening of successor candidates and conduct interviews for the appointment of candidates. Meanwhile, at a preliminary stage, the Human Resources Development Committee maintains career development programs for core personnel and sets up venues for candidates to present their ideas to the Board of Directors and other entities.

Role of the Nominating Committee



Compensation System

The compensation of directors, excluding outside directors, and compensation of executive officers consists of (1) fixed compensation, (2) performance-linked bonuses, and (3) restricted stock compensation. The approximate breakdown of total compensation of (1), (2), and (3) is 5:3:2.

(1) Fixed compensation is monetary compensation according to job titles and is paid monthly.

(2) Performance-linked bonuses are monetary compensation paid according to job titles that is linked with consolidated profit for the period and ROE for the given fiscal year and will be calculated, reflecting the individual's record of performance, in order to motivate individuals to contribute to enhancement of the Company's performance.

These bonuses are paid after the completion of the applicable fiscal year. The individual's performance will be evaluated based on indicators of performance set by business and function in each area the individual is responsible for.

(3) Restricted stock compensation is share-based compensation according to job titles provided with the intent of motivating directors and executive officers to enhance corporate value sustainably, having them share a common interest with shareholders, and encouraging them to work toward the accomplishment of medium-term performance targets. In fiscal 2023, the first year of the Make Waves 2.0 medium-term management plan, three years' worth of restricted stock compensation was allocated in a single lump-sum amount. One-third of restricted stock compensation is paid under the condition that an individual remains in the service of the Company for a certain period and two-thirds of restricted stock compensation is linked to the Company's performance. Evaluation indicators for restricted stock compensation include the financial and non-financial targets defined by the previous medium-term management plan as well as a corporate value target established for total shareholder return, and the actual number of shares to be awarded shall be determined based on the degree of accomplishment of these targets. After the number of shares to be awarded has been decided, the lump-sum amount allocated in fiscal 2023 will be adjusted accordingly. The ratio of influence of financial targets, non-financial targets, and corporate value targets on stock compensation is 5:3:2. For the purpose of aligning the interests of the corporate officers

with those of the shareholders over a long period after the end of the previous medium-term management plan, restrictions on the transfer of stock cannot be lifted until the corporate officer retires or for 30 years from the receipt of restricted stock compensation.

Furthermore, in the event of serious cases of accounting fraud or major losses during this period, depending on the responsibility of the officers in charge, a claw-back clause is included that will require the return of all or a portion of restricted shares transferred to officers on an accumulated basis to date.

Outside directors only receive fixed compensation.

In conjunction with the launch of Rebuild & Evolve, the new medium-term management plan that began in fiscal 2026, Yamaha has revised its targets for performance-linked bonuses and restricted stock compensation. As part of this revision, the revenue growth rate was adopted as one of the indicators for performance-linked bonuses for executive officers. The goal of this change was to better facilitate the growth of the Company. The same evaluation indicators (financial targets, non-financial targets, and corporate value targets) will continue to be used for restricted stock compensation, but the weight of corporate value targets has been increased to more strongly encourage officers to share the perspective of shareholders. Accordingly, we set the weighting of evaluation indicators for performance-linked compensation as follows: Financial targets : Non-financial targets : Corporate value targets = 50% : 20% : 30%.

ROIC is used as the indicator for financial targets while non-financial targets are based on those set forth in the new medium-term management plan, and total shareholder return is used for corporate value targets.

Performance-Linked Bonuses

Consolidated profit for the period and ROE for the current fiscal year, which are indicators used for performance-linked bonuses, were ¥13,351 million and 2.8%, respectively.

Restricted Stock Compensation

Make Waves 2.0, the previous medium-term management plan, set forth the fiscal 2025 targets for determining restricted stock compensation of revenue growth of 20%, a core operating profit ratio of 14%, ROE of 10% or more, and ROIC of 10% or more. Actual performance in fiscal 2025 included revenue growth of 13.2%, a core operating profit ratio of 7.9%, ROE of 2.8%, and ROIC of 4.4%.

Breakdown of Compensation (Fiscal 2025)

Classification	Total Compensation (Millions of yen)	Compensation by Type (Millions of yen)			Number of People
		Fixed compensation	Performance-linked bonuses	Compensation in the form of restricted stock	
Directors	128	148	—	−19	7
(Including outside directors)	86	86	—	—	6
Executive officers	214	193	21	−1	5

Notes: 1. The total amount of compensation, etc., paid to the executive officers serving as directors is described in the section for executive officers.

2. In fiscal 2023, the first year of the Make Waves 2.0 medium-term management plan, three years' worth of stock was allocated as restricted stock compensation in a single lump-sum amount calculated on a pro rata basis over the three-year period of the medium-term management plan. Above compensation amounts have been reduced to reflect reversals of previously recorded costs based on the degree of accomplishment of performance targets from expenses recorded in relation to restricted stock compensation for fiscal 2025.

Results in Relation to Evaluation Indicators

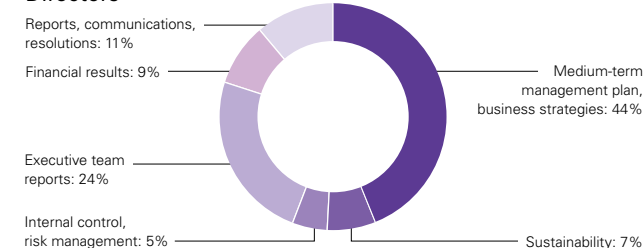
Compensation/Target Category		Indicators/Targets	Fiscal 2025 Results
Performance-linked bonuses		Targets for indicators listed below set for the given fiscal year • Consolidated profit for the period • ROE	• Consolidated profit for the period: ¥13,351 million • ROE: 2.8%
Restricted stock compensation	Financial	Fiscal 2025 targets of the Make Waves 2.0 medium-term management plan • Revenue growth: 20% • Core operating profit ratio: 14% • ROE: 10% or more • ROIC: 10% or more	• Revenue growth: 13.2% • Core operating profit ratio: 7.9% • ROE: 2.8% • ROIC: 4.4%
	Non-financial	For more information, please refer to 18.	
	Corporate value	Total shareholder return	Yamaha's total shareholder return ÷ Growth rate of TOPIX (including dividends) = 0.46

Major Initiatives in Fiscal 2025

Major Topics of Discussion by the Board of Directors

- Growth strategies for new and peripheral business areas
- Business structural reforms for improving earnings
- Improvement of capital and asset efficiency and reinforcement of management platforms
- Sustainability initiatives, etc.

Breakdown of Discussion Time at Meetings of the Board of Directors



Issues Identified in Fiscal 2025 Evaluation of Effectiveness and Future Initiative Policies

Issues Identified for Fiscal 2025	Initiatives in Fiscal 2025
Enhancement of meeting agendas	Discussion on business strategies, business portfolio, and priority growth fields to be incorporated into next medium-term management plan
Acceleration of operation execution	Delegation of authority to divisions and subsidiaries
Enhancement of meeting proceedings	Clarification of goals, issues, and focuses in briefing materials
Support for business understanding of outside directors	- Organization of forums for exchanging opinions with managers of overseas companies - Expansion of range of market, competition, and other objective information provided
Improvement of succession process transparency	Clarification and sharing of processes and evaluation standards related to succession of president, outside directors, etc.
Optimization of structure of the Board of Directors	- Discontinuation of dispatching of personnel to serve as outside directors at companies where Yamaha's outside directors are employed and employment of outside directors from companies where Yamaha personnel serve as outside directors - Clarification of division of roles of the chairman of the Board of Directors and the president

Future Challenges	Fiscal 2026 Policies
Development of more concrete growth strategies	- Expansion of discussion on medium- to long-term strategies for growth businesses - Promotion of more extensive discussion on business portfolio and new business areas at forums for intensive discussion
Acceleration of operation execution	- Further delegation of authority - Revision of monitoring and audit processes to improve effectiveness and efficiency - Verification of benefits of reorganization toward accelerating operation execution
Facilitation of more meaningful discussion	- Improvement of discussion structure and materials through increased emphasis on focus points - Increased provision of market, competition, and other objective information related to business strategies
Support for business understanding of outside directors	- Organization of on-site meetings of the Board of Directors at sales and production bases four times a year - Expansion of opportunities for exchanges of opinions among outside directors through meetings comprised only of outside directors

Major Activities of the Nominating Committee

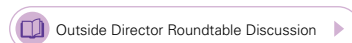
- Implementation of succession plans for the representative executive officer and other officers
- Decision on executive team for given fiscal year, etc.
- Revision of officer personnel requirements, etc.

Major Activities of the Compensation Committee

- Decision of individual compensation amounts, etc.
- Revision of evaluation indicators and targets for restricted stock compensation, etc.

Major Activities of the Audit Committee

- Interviews of and exchanges of opinions with the representative executive officer
- Interviews of executive officers and certain operating officers
- Receipt of reports from the Audit Committee's Office, the Internal Auditing Division, accounting departments, etc.
- Receipt of reports from and sharing of opinions with the accounting auditor
- Assessment and evaluation of appropriateness of reappointment of the accounting auditor
- Formulation of audit plan for the following fiscal year



Analysis and Evaluation of the Effectiveness of the Board of Directors

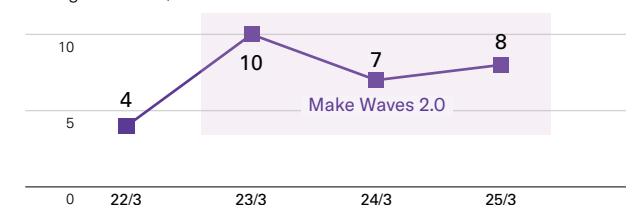
The Company seeks to improve the functionality of the Board of Directors through annual analysis and evaluation of its effectiveness and through assessments from external experts with regard to efforts to improve the issues identified through this process.

Summary of the Evaluation

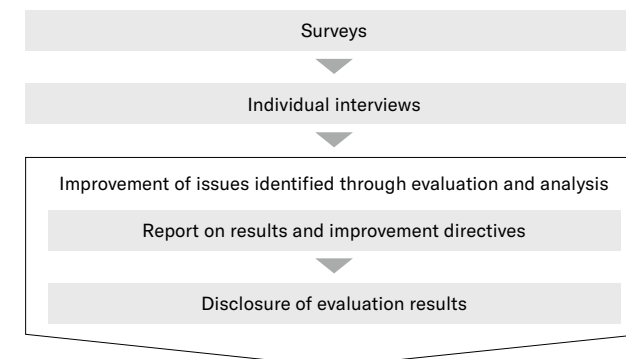
- Highly robust governance systems have been put in place as the company with nominating committee, etc. structure through consistent yearly improvements.
- The Board of Directors features a membership of directors with diverse viewpoints and experience, and the scale of membership and the number of outside directors is appropriate.
- Sincere and constructive discussions are being held with regard to major management issues.
- Management issues were identified regarding the need to engage in more concrete and robust discussion of growth strategies in quick response to operating environment changes, improve the clarity of briefing materials, and accelerate operational execution in order to further evolve the Board of Directors.

Improvements with Regard to Issues Identified in Evaluation of Effectiveness of the Board of Directors

(Number of issues identified as improved – Number of issues judged as having worsened)



Evaluation Process



Basic Cross-Holdings Policy

It is Yamaha's basic policy to have cross-holdings only to the extent that this is reasonable because it contributes to the Company's sustainable growth and the enhancement of corporate value over the medium to long term. Reasonableness, from the standpoint of contributing to the Company's sustainable growth and long-term improvements in corporate value, is defined as cross-holdings that help maintain relationships with important partner companies, suppliers, and financial institutions, as well as those that enhance the Company's brand value, support sustainable growth, and reinforce its financial foundation.

With regard to the reasonableness of individual cross-holdings, the Board of Directors regularly and continuously verifies whether the purposes for such holdings are appropriate and whether the benefits accruing from these holdings and the risks associated with them cover the cost of capital, and based on the results of those verifications the Board works to reduce cross-holdings.

In exercising the voting rights associated with cross-holdings, the decision of how to vote is made comprehensively from the standpoint of whether the resolution enhances the corporate value of the company in question over the medium to long term, whether it is in accordance with our basic policy concerning cross-holdings, and whether it leads to the enhancement of our corporate value over the medium to long term.

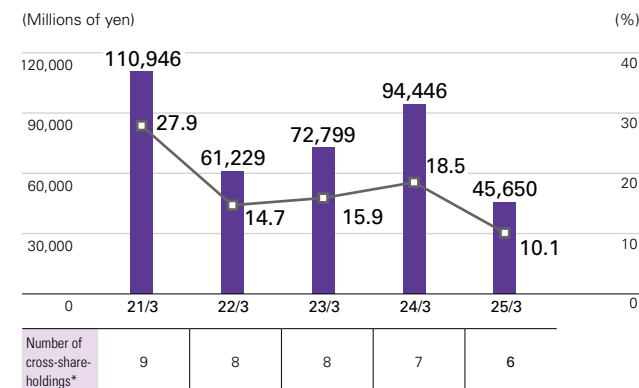
Shareholdings

Holdings of specified equity securities as of March 31, 2025, are as illustrated to the right. In fiscal 2025, the Company sold a portion of its holdings in Yamaha Motor Co., Ltd.



Notice Concerning the Sale of a Portion of Yamaha Corporation's Holdings of the Shares of Yamaha Motor Co., Ltd.

Book Value of Shareholdings and Percentage of Total Assets



■ Book value of shareholdings — Percentage of total assets

* Holdings of listed shares (excluding holdings held for the purpose of collecting on matters such as methods of providing information to shareholders)

Initiatives to Engage in Dialogue with Shareholders and Investors

In order to have constructive dialogue with shareholders and investors, the Board of Directors appoints a director in charge of these initiatives. If necessary, due to a request for dialogue from a shareholder or investor, the director in charge, other internal and outside directors, executive officers, or operating officers will appear in person to explain matters such as the capital policy, the medium-term management plan, and related progress to shareholders or investors in a clear and easy-to-understand manner.

The Legal Division, IR Department, and Corporate Finance Division cooperate and assist the director in charge to ensure that dialogue with shareholders and investors is conducted in a reasonable and orderly manner.

In addition to the respective dialogue with shareholders and investors, the Company gives presentations on its medium-term management plan and quarterly earnings, as well as business briefings, facilities tours, and presentations for private investors. Presentation materials for business plans, results briefings, and others are always available on our corporate website. The results of dialogues with shareholders and investors are reported to the

Board of Directors by the director in charge, executive officers, or operating officers on a timely basis, and they are appropriately reflected in the management of the Company, leading to the Group's sustainable growth and enhancing corporate value over the medium to long term. Additionally, the voting is analyzed for each resolution at the Ordinary General Shareholders' Meeting, and this is reported to the Board of Directors.

Regarding measures to control insider information, pursuant to the Company's Disclosure Policy, due consideration is given to controlling insider information, and we endeavor to disclose information in a fair, prompt, and timely manner. When meeting with shareholders and investors, information is provided after verifying that the information provided does not constitute insider information. The time between the day after the end of each quarter and the date of the earnings release is a quiet period during which we refrain from discussing earnings information.

Major IR Activities



Major IR Activities in Fiscal 2025

General Shareholders' Meetings

Yamaha endeavors to establish an environment that ensures that there is adequate time for shareholders to exercise their voting rights at a General Shareholders' Meeting, so that they can properly exercise their voting rights. In addition to sending the notice for the Ordinary General Shareholders' Meetings at least three weeks in advance of the meeting date, we create an environment in which every shareholder can properly exercise their voting rights by disclosing the content of the notice on our corporate website in both Japanese and English as soon as possible, holding the Ordinary General Shareholders' Meeting on a date that avoids the concentration of shareholders' meetings, and ensuring that it is convenient to exercise voting rights by using an electronic proxy voting platform.

Risk Management

Basic Policies and Frameworks

The Yamaha Group is engaged in efforts to develop and improve its risk management promotion structure and system in order to boost risk response capabilities and to realize healthy and transparent management.

Under the supervision of the Board of Directors, Yamaha has established the Risk Management Committee as an advisory body to the president. The committee discusses risk management-related matters from a Companywide perspective and reports the results of these discussions to the president. In addition, the Working Group for BCP and Disaster Prevention Management, Working Group for Financial Management, Working Group for Compliance, Working Group for Export Control, and Working Group for Information Security have been established under the Risk Management Committee. These working groups set activity policies and monitor activities related to important Companywide themes. In the case of the materialization of a serious risk with the potential to have a Companywide impact during the course of business activities, a Risk Countermeasure HQ led by the president will be set up to address the risk.

Approach Toward Risk Management

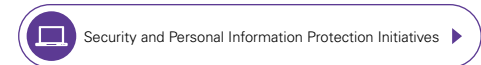
The Risk Management Committee categorizes the various risks identified in relation to the Yamaha Group's business into four categories: external environment risk, strategic risk, operational risk (business activities), and operational risk (support activities). The materiality of risks is assessed based on the projected scale of damages and frequency of materialization. In addition, the level of control is evaluated for each risk category, material risks requiring priority response are identified, and the divisions responsible for managing these risks are designated in order to promote risk mitigation activities and thereby improve overall risk control levels. The identified risks are reviewed on an annual basis and the need of introducing new risks into the framework is assessed (see table to the right).

Information Security and Personal Information Protection Initiatives

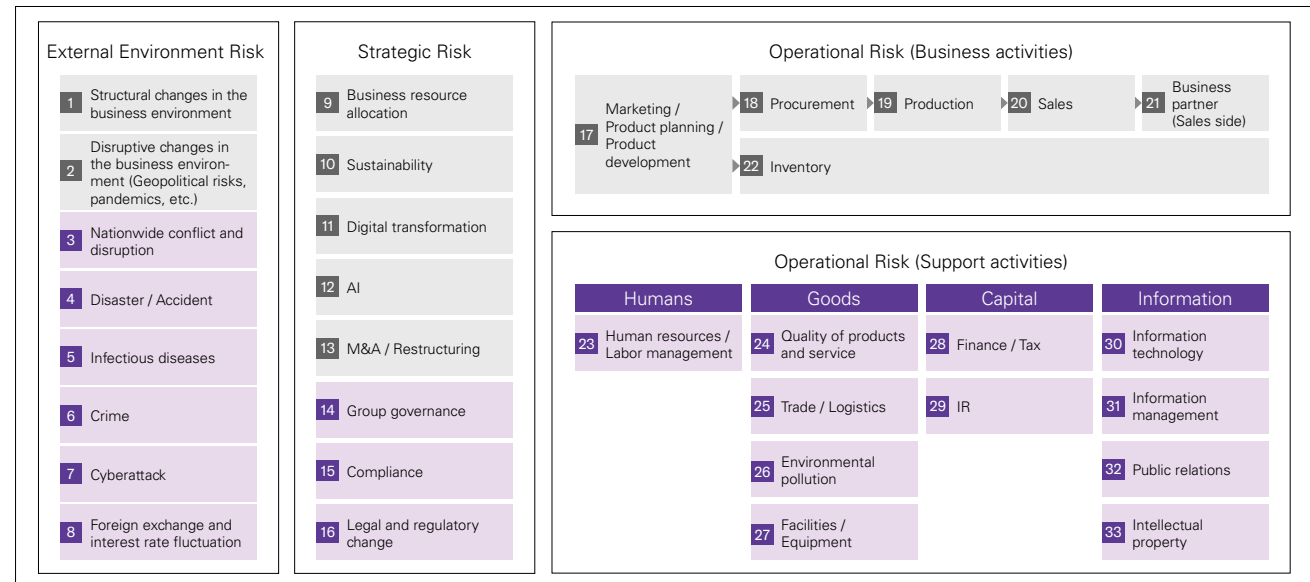
The Yamaha Group perceives information security and personal information protection as a critical aspect of management and is committed to appropriately managing and protecting all of the information assets in its possession and all of the personal and other information with which it is entrusted.

Should a cyberattack, computer virus infection, or other information security incident occur, the Yamaha Group could suffer more than damage to its information systems or alteration of its data; it could be subject to severe economic losses as a product of the resulting damages to its social reputation and brand value. Accordingly, such incidents have the potential to adversely

impact the Group's performance and financial position. The Yamaha Group defines its basic IT and information management policies in the Group IT Policies & Rules and the Group Personal Information Protection Policies & Rules. Based on these policies and rules, we seek to improve our security management systems to better protect against virus infections or damage to data due to unauthorized access to our IT networks. To this end, we monitor the status of our management systems and endeavor to identify vulnerabilities on websites and provide guidance on addressing such issues as well as training for employees.



Risk Classification



■ Business strategy risk ■ Fundamental risk



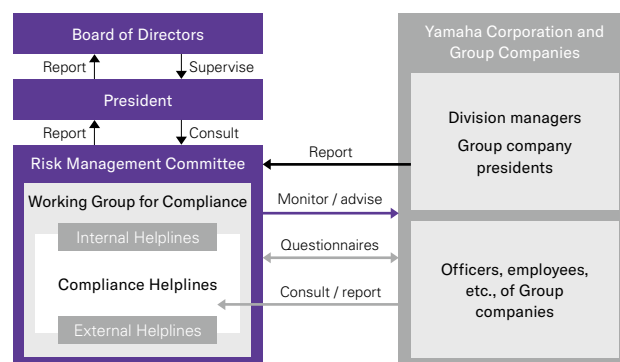
Compliance

Basic Policies and Frameworks

The Yamaha Group has positioned compliance among its most important management themes. We practice compliance management with a focus on ensuring strong legal compliance, adherence to social norms, and a high level of corporate ethics.

Compliance is promoted through the Working Group for Compliance, an organization positioned under the Risk Management Committee, which is an advisory body to the president. Comprised of members including executive officers, audit officers, and external lawyers, this working group discusses and decides Groupwide compliance policies and measures. In addition, the working group is responsible for monitoring the activities of divisions and Group companies to ensure legal compliance and ethical operations and reporting to the Board of Directors thereon.

Compliance Promotion System



Working Group for Compliance Activities in Fiscal 2025

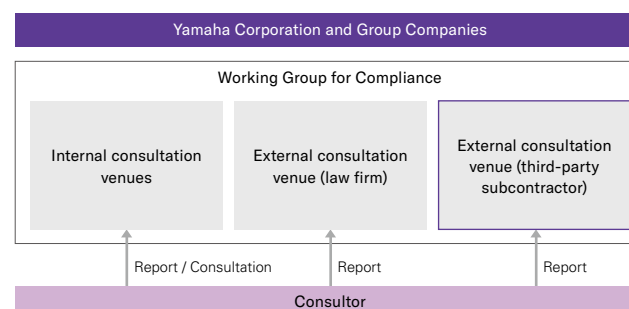
Major Activities	Four meetings
Details	- Confirmation of Groupwide compliance promotion status - Provision of compliance education content (overseas) - Seminars on prevention of harassment (for all Yamaha Corporation employees and managers of domestic Group companies) - Improvement of effectiveness of responses to reports

Compliance Management Frameworks and Code of Conduct

The Compliance Code of Conduct puts forth a code for guiding the actions of all members of the Yamaha Group as the foundation for compliance management. Since the establishment of the code, ongoing revisions have been implemented in reflection of changes in environmental and social conditions, and the code has been translated into multiple languages.

Other measures for ensuring good compliance include internal education and training programs, and employee questionnaires. Meanwhile, we are enhancing the effectiveness of our reporting venues through the development of compliance helplines that are made available to all full-time, dispatch, and other Group employees.

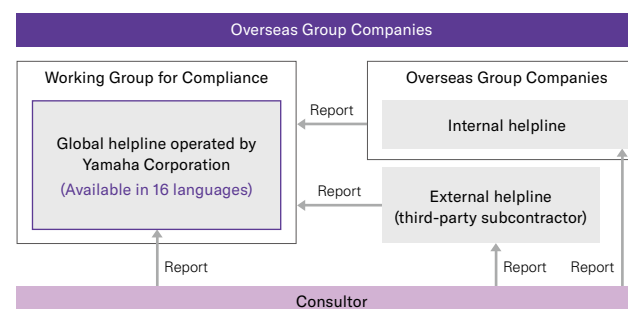
Compliance Helpline System (Left: Japan; Right: Overseas)



Compliance Helplines

The Yamaha Group has established compliance helplines for addressing compliance-related consultations and reports. These helplines can be used to receive support via the internet, telephone, email, or other methods. Objective investigations are conducted to confirm the validity of any consultations or reports indicating potential compliance violations, and reports are compiled for use in determining the necessity of response or disciplinary measures.

Harassment and other work-related matters represented the majority of consultations and reports received as of March 31, 2025.



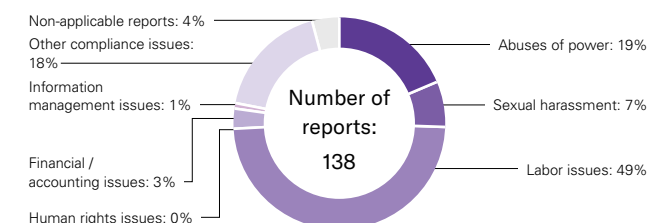
Number of Reports Received Through Compliance Helplines

	Japan*1	Overseas*2	Total
FY2021	83	8	91
FY2022	87	32	119
FY2023	114	35	149
FY2024	109	38	147
FY2025	98	40	138

*1 Total number of reports received through domestic and global helplines established by Yamaha Corporation

*2 Total number of reports received through internal and external helplines established by overseas Group companies

Breakdown of Reports in Fiscal 2025

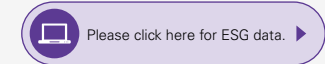


SECTION 6

FINANCIAL AND CORPORATE INFORMATION

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11-YEAR SUMMARY



Yamaha Corporation and its consolidated subsidiaries

As of and for the years ended March 31	J-GAAP					IFRS							
	2015/3	2016/3	2017/3	2018/3	2019/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	2025/3
For the year:													
Revenue (Net sales)	¥432,177	¥435,477	¥408,248	¥432,967	¥437,416	¥434,373	¥414,227	¥372,630	¥408,197	¥451,410	¥462,866	¥462,080	\$3,090,422
Cost of sales	270,357	262,406	242,451	258,465	255,291	255,367	245,967	229,720	253,460	280,270	291,784	285,939	1,912,380
Gross profit	161,820	173,070	165,796	174,501	182,124	179,005	168,259	142,909	154,736	171,139	171,081	176,140	1,178,042
Selling, general and administrative expenses	131,684	132,407	121,493	125,668	126,094	126,259	121,907	102,198	111,706	125,272	137,428	139,419	932,446
Core operating profit (Operating income)	30,135	40,663	44,302	48,833	56,030	52,745	46,352	40,711	43,029	45,867	33,653	36,721	245,595
Profit before income taxes (Income before income taxes and minority interests)	28,526	41,578	42,898	74,471	60,485	56,471	47,225	37,102	53,028	50,552	37,629	22,462	150,228
Profit for the period (Net income)*2	24,929	32,633	46,719	54,378	43,753	40,337	34,621	26,615	37,268	38,183	29,642	13,351	89,294
Capital expenditures	13,846	11,220	17,542	24,600	15,956	15,956	20,545	11,260	14,835	20,541	27,118	19,959	133,490
Depreciation expenses	12,597	12,681	11,145	10,777	10,835	10,614	11,156	11,387	12,123	13,094	13,839	14,315	95,739
R&D expenses	25,439	24,793	24,415	24,797	24,926	24,926	24,814	24,189	24,032	25,057	26,903	26,977	180,424
Cash flows from operating activities	31,729	42,399	39,142	47,498	30,234	35,520	57,162	58,225	36,016	(14,841)	43,836	55,281	369,729
Cash flows from investing activities	(11,700)	591	(9,663)	4,766	(23,092)	(23,101)	(21,067)	(5,785)	43,707	(21,563)	(15,903)	8,106	54,214
Free cash flow	20,029	42,991	29,478	52,264	7,142	12,419	36,095	52,440	79,723	(36,404)	27,933	63,387	423,944
Cash flows from financing activities	(5,909)	(30,349)	(12,588)	(35,584)	(28,479)	(33,993)	(36,422)	(20,602)	(44,426)	(35,287)	(37,263)	(63,140)	(422,286)
At year-end:													
Total assets	¥530,034	¥469,745	¥522,362	¥552,309	¥514,762	¥515,924	¥474,034	¥557,616	¥580,662	¥594,209	¥666,837	¥591,278	\$3,954,510
Total current assets	247,632	255,135	272,720	289,493	281,608	282,819	270,189	301,103	362,676	346,685	369,346	351,933	2,353,755
Total current liabilities	80,976	75,459	82,565	101,919	80,495	100,443	99,149	100,852	126,114	95,103	105,688	106,658	713,338
Interest-bearing debt	11,868	8,510	11,241	11,173	8,936	8,936	10,830	8,367	10,523	1,495	992	5,552	37,136
Total equity (Net assets)	348,752	303,889	367,437	388,345	382,771	359,007	326,450	396,949	416,867	457,944	511,810	450,113	3,010,387
												Yen	U.S. dollars*1
Per share:*3													
Profit for the period (Net income)	¥ 42.92	¥ 56.30	¥ 83.06	¥ 97.27	¥ 80.31	¥ 74.04	¥ 64.90	¥ 50.46	¥ 71.62	¥ 74.21	¥ 58.56	¥ 27.58	\$ 0.18
Equity attributable to owners of parent (Net assets)	595.81	533.85	649.34	708.50	708.28	664.19	616.94	750.78	807.79	893.44	1,025.24	990.62	6.63
Dividends	12.00	14.67	17.33	18.67	20.00	20.00	22.00	22.00	22.00	22.00	24.67	25.33	0.17
												%	
Key indicators:													
Core operating profit ratio (Operating income ratio)	7.0%	9.3%	10.9%	11.3%	12.8%	12.1%	11.2%	10.9%	10.5%	10.2%	7.3%	7.9%	
Return on equity (ROE)	8.1	10.1	14.0	14.5	11.4	11.1	10.1	7.4	9.2	8.8	6.1	2.8	
Return on invested capital (ROIC)	—	—	—	—	—	—	9.7	7.9	7.3	7.8	5.5	4.4	
Return on assets (ROA)	5.1	6.5	9.4	10.2	8.2	7.5	7.0	5.2	6.5	6.5	4.7	2.1	
Equity ratio attributable to owners of parent	65.3	64.2	69.9	70.0	74.1	69.4	68.6	71.0	71.6	76.9	76.6	75.9	
Debt to equity ratio (Times)	0.03	0.03	0.03	0.03	0.02	0.02	0.03	0.02	0.03	0.00	0.00	0.01	
Interest coverage (Times)	130.51	129.41	165.40	149.08	138.90	67.20	69.15	85.16	122.37	112.15	67.91	70.84	
Current ratio	305.8	338.1	330.3	284.0	349.8	281.6	272.5	298.6	287.6	364.5	349.5	330.0	
Dividend payout ratio	28.0	26.1	20.9	19.2	24.9	27.0	33.9	43.6	30.7	29.6	42.1	91.9	

Note: Figures prior to fiscal 2019 are based on J-GAAP standards.

*1 U.S. dollar amounts are translated from yen at the rate of ¥149.52 = U.S.\$1, the approximate rate prevailing on March 31, 2025.

*2 Net income has been presented as net income attributable to owners of parent on the consolidated financial statements since fiscal 2016. Under IFRS, net income is displayed as profit for the period attributable to owners of parent.

*3 Effective October 1, 2024, the Company conducted a three-for-one stock split of its common stock. Per-share amounts for profit for the period, equity attributable to owners of parent, and dividends are calculated as though the stock split was conducted on April 1, 2014.

FINANCIAL REVIEW

Note: Effective April 1, 2025, the electronic devices business was renamed the mobility audio equipment business and transferred from the others segment to the audio equipment segment. Figures for past fiscal years in this financial review have not been restated to reflect this change.

Fiscal 2025 Performance (IFRS)

Analysis of Overall Performance in Fiscal 2025

Looking at the business environment in fiscal 2025, the Yamaha Group continues to face an opaque outlook due to such factors as the dissipation of demand associated with people staying at home following the conclusion of the COVID-19 pandemic, the prolonged stagnation of the Chinese economy, and the global trend of rising prices for energy, raw materials, and other commodities. Other contributing factors included foreign exchange rate fluctuations and rising geopolitical risks.

Under these conditions, the Yamaha Group has positioned the three-year period of its Make Waves 2.0 medium-term management plan as an opportunity to enhance its capacity for sustainable growth in the new society that emerged post-pandemic. We thereby aim to support the “Well-Being of People around the World.” To this end, the Group has been implementing various measures under three policies— further strengthen the business foundation, set sustainability as a source of value, and enable Yamaha colleagues to be more valued, more engaged, and more committed.

Regarding its financial goals, the Group was unable to fully keep pace with the rapid changes in the market and environment, and despite progressing with structural reforms, it did not achieve the targets. The challenge was clearly defined as “quick adaptability to environmental changes and investments in growth.” Additionally, concerning the non-financial goals outlined in the medium-term management plan, capital investment in infrastructure was not achieved due to implementation of production structural reforms, mainly for pianos. However, most of the other targets were largely achieved.

Revenue, Core Operating Profit, and Profit for the Period Attributable to Owners of Parent

Revenue decreased only ¥786 million, or 0.2%, year on year, to ¥462,080 million. In this manner, the Company was able to maintain a level of revenue that was in line with the previous fiscal year, despite the slump in musical instrument sales attributable to the stagnancy of the Chinese market, due to growth in demand for audio equipment for professional use, recovery in sales of digital pianos, and the benefits of yen depreciation [GRAPH 1](#).

By region, revenue was down in China, which is suffering from sluggish markets, as well as in Japan, but was up in other regions [GRAPH 2](#).

Core operating profit was up ¥3,068 million, or 9.1%, year on year, to ¥36,721 million. By segment, core operating profit in the musical instruments segment was down ¥3,248 million, or 12.8%, to ¥22,068 million,

GRAPH 1

	(Billions of yen)	
	2024/3	2025/3
Revenue	462.9	462.1
Musical Instruments	305.2	296.1
Audio Equipment	121.1	128.4
Others	36.6	37.6

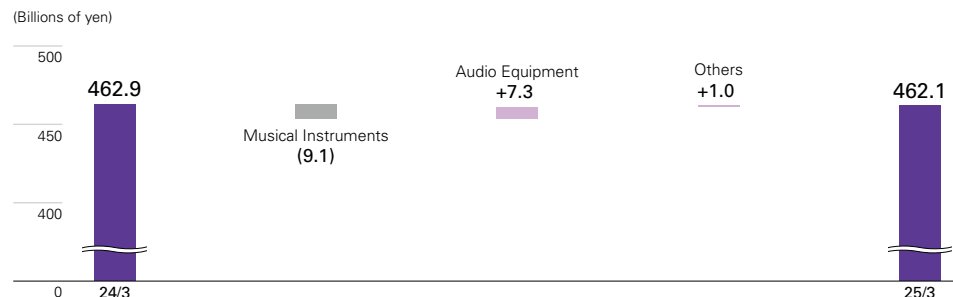
GRAPH 2

	(Billions of yen)	
	2024/3	2025/3
Revenue	462.9	462.1
Japan	109.2	106.8
North America	122.0	122.3
Europe	93.9	96.0
China	54.8	50.4
Other regions	83.0	86.6

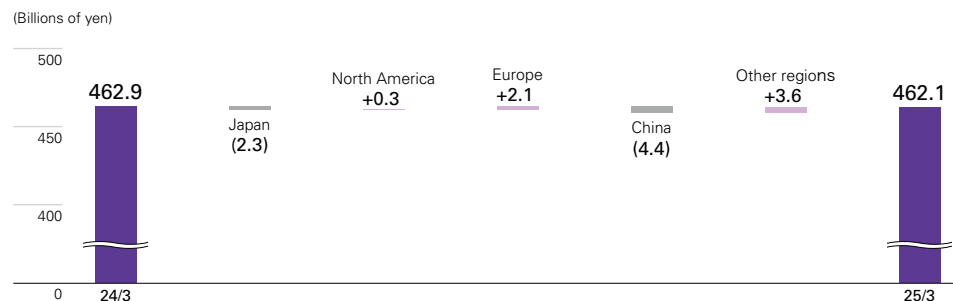
GRAPH 3

	(Billions of yen)	
	2024/3	2025/3
Revenue	33.7	36.7
Musical Instruments	25.3	22.1
Audio Equipment	6.4	11.8
Others	1.9	2.8

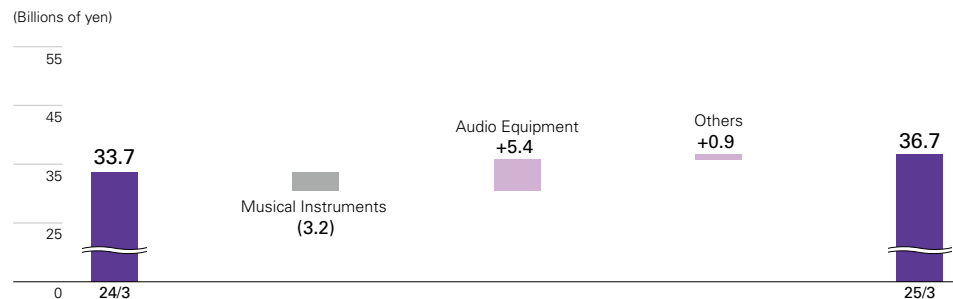
Revenue (Change by Business Segment)



Revenue (Change by Region)



Core Operating Profit (Change by Business Segment)



despite an increase of ¥5,500 million attributable to favorable foreign exchange influences. In the audio equipment segment, core operating profit increased ¥5,410 million, or 84.4%, to ¥11,820 million, due in part to a boost of ¥1,700 million as a result of beneficial foreign exchange effects. As for the others segment, buoyed by the increase of ¥800 million associated with exchange rate gains, core operating profit rose ¥906 million, or 47.1%, to ¥2,832 million [GRAPH 3](#).

Factors behind the overall increase in profit included favorable foreign exchange influences (¥8,000 million) and the benefits of structural reforms implemented in the previous fiscal year (¥2,000 million). These factors offset detractors such as decreases in revenue and production as well as a worse model mix (¥7,000 million) [GRAPH 4](#).

Profit for the period attributable to owners of parent decreased ¥16,290 million, or 55.0%, year on year, to ¥13,351 million.

Review of Make Waves 2.0

■ Further Strengthen the Business Foundation

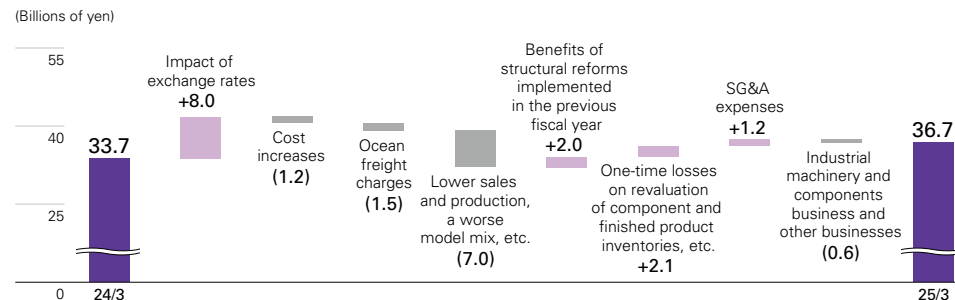
Our ongoing efforts to “develop closer ties with customers,” during the year included opening new brand communication bases in London, England, and in Yokohama and Shibuya, Japan, designed to provide enhanced customer experience value. We also made steady progress expanding our business domains, including increasing sales of professional audio equipment, notably digital mixers, and enlisting wider adoption of our automotive audio systems by Japanese automobile manufacturers.

We have continued our efforts to “create new value” since the April 2024 launch of the Yamaha Music Connect portal site by focusing on developing services in the three business fields categorized as the music experiences of “learning,” “community,” and “creativity.” Our objective is to introduce outstanding experiences to a growing number of customers around the world. During the year, we incorporated Yamaha Music Innovations, our business development base in Silicon Valley, and established an associated corporate venture capital fund. Progress was made forming technological alliances and collaborations with other companies and in creating mechanisms for exploring new business opportunities. We also introduced many highly acclaimed new products, including finger drum pads and SEQTRAK, that expand the enjoyment of sound and music.

In our drive to “be more flexible and resilient,” we continued to optimize our production bases and infrastructure, with a focus on acoustic instrument production, to improve our ability to swiftly respond to emerging market trends and to make our production operations more resilient to future changes.

GRAPH 4

Core Operating Profit (Change by Factor)



■ Set Sustainability as a Source of Value

To “build a value chain that supports the future of the earth and society,” Yamaha promoted energy-saving initiatives such as the installation of additional solar power plants and the visualization of electric power usage through the inclusion of a power monitoring system at production bases. Furthermore, with respect to the evaluation of its climate change-related information disclosure, the Group obtained an “A” score from the CDP for the second consecutive year, which is the highest rating. It continues to gradually advance initiatives to reach carbon neutrality by 2050.

Efforts to “enhance brand and competitiveness by contributing to comfortable lives” include Expo 2025, Osaka, Kansai, Japan using our multilingual announcement service system *Omotenashi* Guide for Biz powered by SoundUD developed by Yamaha. The system provides a glimpse of the future of communications by realizing an environment without language barriers for announcements in the venue.

To “expand market through the promotion and development of music culture,” during the year we added Colombia, the Philippines, and Mexico to the countries where we are conducting our School Project aimed at increasing music education in emerging countries. The project has far exceeded our expectations. Our initial goal was for the program to reach a cumulative total of 2.3 million students, but in just its third year the number of students has grown to some 4.25 million. In Japan, one of our initiatives is to support high school popular music bands while creating cooperative relations between high schools and local musical instrument stores, as we strive to further revitalize music culture among young people.

■ Enable Yamaha Colleagues to Be More Valued, More Engaged, and More Committed

In terms of the key theme of increase job satisfaction, the Group has introduced a talent management system and enhanced mechanisms to encourage employees to autonomously plan their careers. Going forward, we will continue to strengthen support for human resource development to help our people acquire essential skills while pursuing higher levels of motivation.

To enact the key theme of promote respect for human rights and DE&I, Yamaha has made progress in creating an environment in which a diverse workforce can thrive, including through enhanced support for the development of female leaders and the promotion of cross-border assignments. In addition, for the sixth consecutive year, the Group received the highest rating of gold in the PRIDE INDEX, an index that evaluates a company’s initiatives to support sexual minorities. We remain committed to creating a corporate culture that capitalizes on the individuality of our diverse employees.

As for the key theme of foster open organizational culture where people can proactively take on challenges, Yamaha is cultivating an organizational culture of mutual respect and psychological safety by proactively stimulating communication between organizations and creating various opportunities for communication.

Results by Segment

■ Musical Instruments

Revenue in the musical instruments segment decreased ¥9,094 million, or 3.0%, year on year, to ¥296,100 million, as a result of the impacts of slow growth in musical instrument sales due to prolonged market stagnation in China.

By product, sales of pianos were down due to the impacts of a substantial decline in demand in the mainstay market of China as well as a deterioration in consumer confidence spurred by inflation in other markets. Sales of digital musical instruments were relatively unchanged year on year as a result of the recovery of our market share centered on entry-level digital pianos. Declines were seen in sales of wind, string, and percussion instruments as the impacts of the discontinuation of government financial support provided to elementary and junior high schools in the United States counteracted the benefits of the progressive resumption of wind band activities amid the dissipation of the impacts of the COVID-19 pandemic. Meanwhile, overall sales of guitars were unchanged year on year, as the sluggish sales of guitar amps, effectors, and other peripherals counterbalanced the growth in sales of acoustic and electric guitars seen around the world.

By region, overall sales in Japan were relatively unchanged year on year. A massive increase was seen in domestic sales of wind, string, and percussion instruments due to strong demand among casual musicians, but the pressure placed on household finances by the inflation trend stifled demand for music education for children. In North America, overall sales were down, despite the recovery in sales of digital pianos. Factors behind the overall decrease included the struggling performance of guitar peripherals and the discontinuation of government financial support provided to elementary and junior high schools in the United States for the purchase of wind, string, and percussion instruments. Meanwhile, overall sales were around the same level as the previous fiscal year in Europe. Although sales in this region benefited from new products and sales promotion measures, these benefits were counteracted by intensifying price competition with e-commerce and other venues and the ensuing pressure on sales of entry-level guitars and peripherals such as amps and effectors amid continuing austerity among dealers given the high levels of inventories at stores. In China, a massive decrease was seen in sales due to a sharp decline in education-related demand for acoustic pianos attributable to the protracted deterioration of macroeconomic conditions, in part a result of a struggling real estate market, as well as the impacts of national education policies (China's Double Reduction Policy). In other regions, sales rose overall because of increases in sales in rapidly growing India as well as Latin American, ASEAN, Middle Eastern, and other emerging countries.

■ Audio Equipment

Revenue in the audio equipment segment rose ¥7,273 million, or 6.0%, year on year, to ¥128,382 million, as a result of robust demand for audio equipment for professional use due to the recovery of the entertainment market.

By product, sales of audio equipment for consumer use were down following the curtailment of the scope of models of home audio products offered and the range of regions in which they are available. Meanwhile, sales of audio equipment for professional use increased as a result of strong sales of digital mixers and other event-use equipment amid brisk event demand pertaining to live events and concerts as well as to the 2024 Summer Olympics in Paris.

■ Others

Revenue in the others segment increased ¥1,034 million, or 2.8%, year on year, to ¥37,596 million.

In the electronic devices business, sales grew substantially as a result of smooth expansion in the use of Yamaha brand automotive sound systems. Sales of automobile interior wood components and FA equipment were down due to reduced production by customers and postponements and reductions in investment projects.

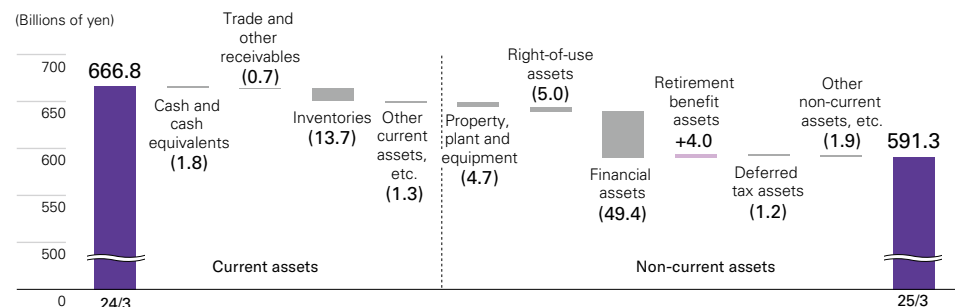
Analysis of Financial Position

Total assets on March 31, 2025, amounted to ¥591,278 million, a decrease of ¥75,559 million, or 11.3%, from ¥666,837 million at the end of the previous fiscal year [GRAPH 5](#). Current assets decreased ¥17,412 million, or 4.7%, from the end of the previous fiscal year, to ¥351,933 million, and non-current assets decreased ¥58,146 million, or 19.5%, to ¥239,344 million. In current assets, cash and cash equivalents decreased due to the purchase of treasury shares and inventories decreased as a result of inventory optimization. In non-current assets, financial assets decreased due to a decline in market value of securities held and the sale of part of the Company's holding in Yamaha Motor Co., Ltd. and property, plant and equipment decreased due to impairment losses.

Total liabilities on March 31, 2025, were ¥141,165 million, a decrease of ¥13,861 million, or 8.9%, from ¥155,027 million at the end of the previous fiscal year. Current liabilities increased ¥969 million, or 0.9%, from the end of the previous fiscal year, to ¥106,658 million, and non-current liabilities decreased ¥14,831 million, or 30.1%, to ¥34,506 million. In non-current liabilities, deferred tax liabilities recognized for fluctuations in the fair value of held securities decreased.

GRAPH 5

Total Assets



Total equity on March 31, 2025, was ¥450,113 million, a decrease of ¥61,697 million, or 12.1%, from ¥511,810 million at the end of the previous fiscal year [GRAPH 6](#). The overall decrease was due to shareholder returns generated by the purchase of treasury shares and the payment of dividends exceeding the increase in retained earnings resulting from the profit for the period.

Analysis of Cash Flows

A net decrease of ¥1,768 million was seen in cash and cash equivalents at the end of the fiscal year, compared with a net decrease of ¥2,299 million a year earlier. As a result, cash and cash equivalents at end of period came to ¥99,819 million.

Net cash provided by operating activities amounted to ¥55,281 million in fiscal 2025 primarily due to the recording of profit before income taxes. For comparison, net cash provided by operating activities in fiscal 2024 was ¥43,836 million.

Net cash provided by investing activities was ¥8,106 million in fiscal 2025. This net cash inflow was primarily due to the proceeds from sales of investment securities, which offset the purchase of property, plant and equipment. For comparison, net cash used in investing activities of ¥15,903 million was recorded in fiscal 2024 primarily as a result of the purchase of property, plant and equipment, which outweighed proceeds from sales of investment securities.

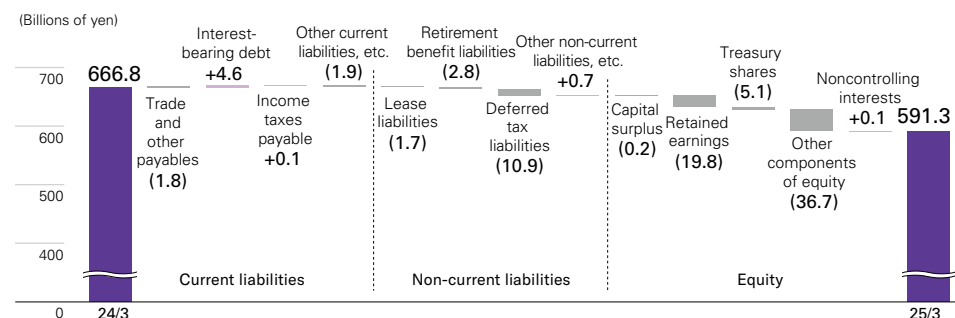
Net cash used in financing activities totaled ¥63,140 million in fiscal 2025. This outcome was mainly attributable to the purchase of treasury shares and cash dividends paid. For comparison, net cash used in financing activities came to ¥37,263 million in fiscal 2024 primarily due to the purchase of treasury shares and the payment of dividends [GRAPH 7](#).

Forecasts for Fiscal 2026

Given the ongoing uncertainty in the operating environment as well as the impacts of the additional tariffs instituted by the United States and the measures to compensate for these impacts, the Company is projecting declines in revenue and core operating profit in fiscal 2026. Profit for the period attributable to owners of parent, meanwhile, is anticipated to increase due to the absence of the expenses for production structural reforms recorded in fiscal 2025 [GRAPH 8](#).

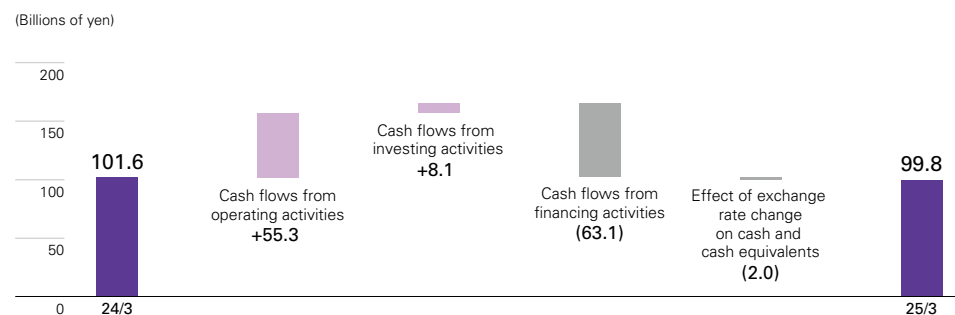
GRAPH 6

Total Liabilities and Equity



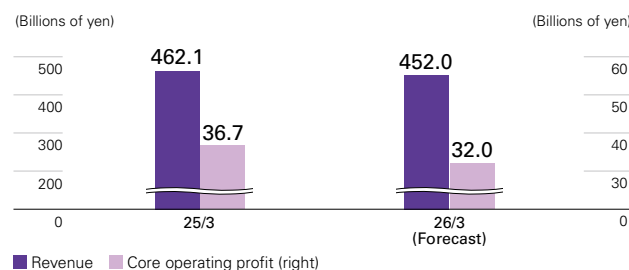
GRAPH 7

Cash Flows



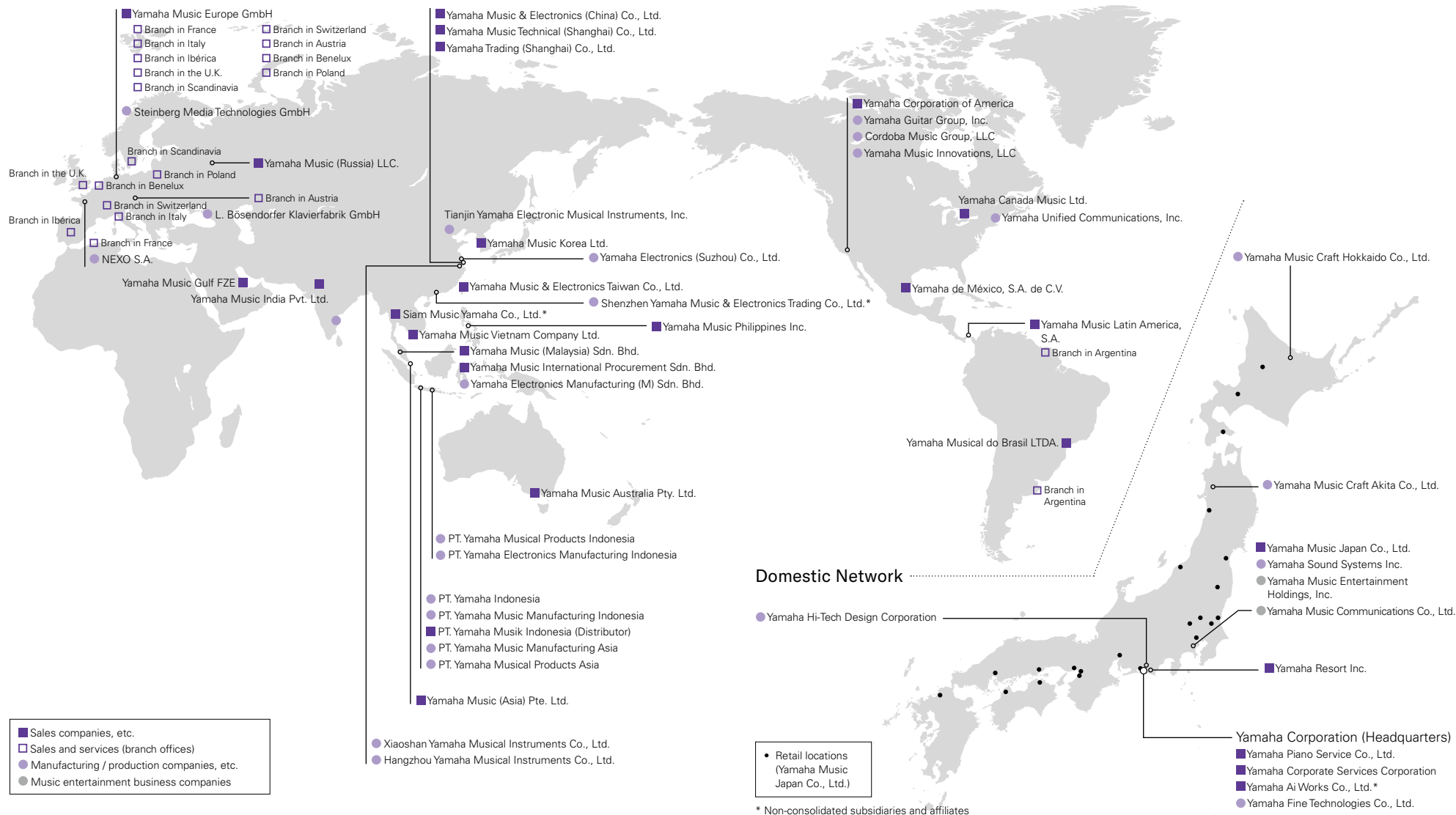
GRAPH 8

Fiscal 2026 Revenue and Core Operating Profit Forecasts (Announced August 1, 2025)



The Yamaha Group is currently expanding its business on a global basis, with locations in over 30 countries and regions across the world.

Overseas Network



STOCK INFORMATION As of March 31, 2025

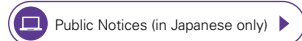
Dividends Year-end: To the shareholders of record on March 31
Interim: To the shareholders of record on September 30

Number of Shares of Common Stock Issued: 531,000,000
(including 77,914,034 shares of treasury stock)

Stock Exchange Listing Tokyo Prime Market, Code No. 7951

Administrator of Shareholders' Registry The Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Department
3-15-33, Sakae, Naka-ku, Nagoya,
Aichi 460-8685, Japan

Public Notices Shall be issued electronically at the following website, except when an accident or other unavoidable occurrence prevents this, in which case they shall be released in the *Nihon Keizai Shimbun* business daily in Tokyo



Public Notices (in Japanese only)

Ordinary General Shareholders' Meeting

June

Number of Shareholders 39,962

As an indicator of long-term financial soundness, Yamaha asks credit rating agencies to provide a long-term debt rating every year and has received the following evaluations.

Credit Ratings

Rating and Investment Information, Inc. (R&I)	A+
Japan Credit Rating Agency, Ltd. (JCR)	AA-

Shareholder Composition

	Number of Shareholders	Ratio of Number of Shares to Total
Individuals	38,988	24.7%
Financial institutions	42	44.4%
Japanese corporations	285	3.7%
Foreign investors	611	25.1%
Securities companies	36	2.1%
Total	39,962	100.0%

Note: The figure for individuals includes treasury stock.

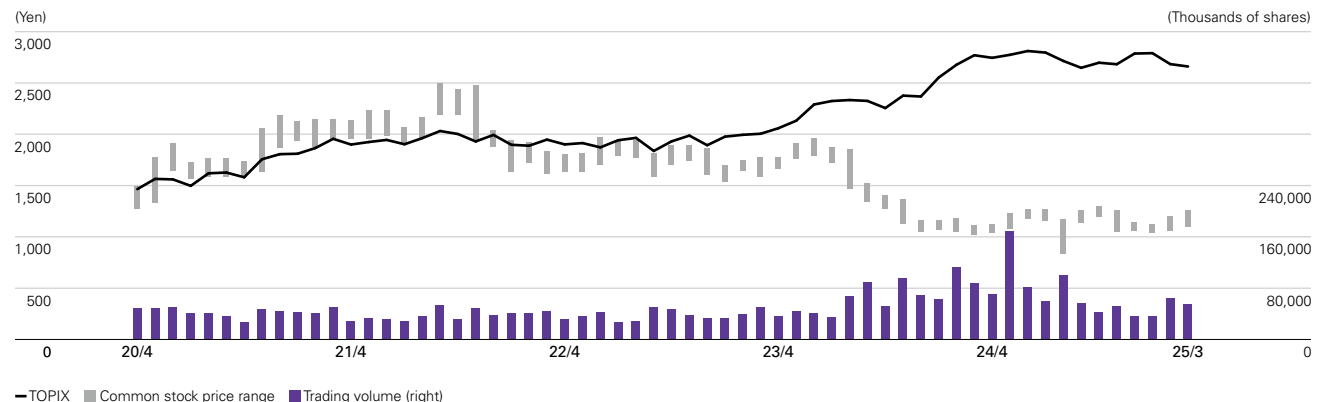
Major Shareholders

Major Shareholders	Shareholding Ratio
The Master Trust Bank of Japan, Ltd. (Trust account)	23.12%
Custody Bank of Japan, Ltd. (Trust account)	8.83%
The Shizuoka Bank, Ltd.	4.98%
Sumitomo Life Insurance Company	4.83%
Nippon Life Insurance Company	3.31%

Note: Yamaha Corporation holds 77,914,034 shares of treasury stocks which have been excluded from calculations related to the above major shareholders. The shareholding ratio is calculated by excluding treasury stock from total outstanding shares.

Major Shareholders	Shareholding Ratio
Yamaha Motor Co., Ltd.	3.11%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	2.38%
STATE STREET BANK AND TRUST COMPANY 505301	2.11%
STATE STREET BANK AND TRUST COMPANY 505001	1.75%
JP MORGAN CHASE BANK 385864	1.57%

Common Stock Price Range and Trading Volume



Fiscal year ended	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Share price at the end of fiscal year (Yen)	1,405	2,003	1,783	1,697	1,087	1,157
Share price—high (Yen)	2,090	2,187	2,497	1,967	1,959	1,295
Share price—low (Yen)	1,173	1,278	1,613	1,535	1,017	835
Trading volume (Million shares)	547	519	458	460	794	832

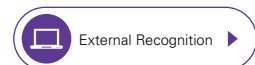
Fiscal year ended	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3
Dividend yield (%)	1.57	1.10	1.23	1.30	2.27	2.19
Price to earnings ratio (Times)	21.6	39.7	24.9	22.9	18.6	41.9
Price to book value ratio (Times)	2.28	2.67	2.21	1.90	1.06	1.17
Number of shares issued (Thousand shares)	574,665	574,665	561,900	561,900	561,900	531,000
Market capitalization at the end of fiscal year (Millions of yen)	807,404	1,151,246	1,002,055	953,357	610,785	614,102
Percentage of shares owned by foreign investors (%)	25.6	26.0	26.2	26.1	23.0	25.1

Note: Effective October 1, 2024, a three-for-one stock split was conducted affecting common shares of the Company's stock. Figures are calculated as though the stock split was conducted on April 1, 2019.

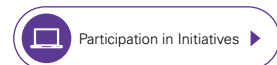
Corporate Profile

Company Name	Yamaha Corporation
Headquarters	10-1, Nakazawa-cho, Chuo-ku, Hamamatsu, Shizuoka 430-8650, Japan
Year of Foundation	1887
Date of Incorporation	October 12, 1897
Paid-in Capital	¥28,534 million
Number of Employees (Consolidated)	18,949 (excluding average number of temporary employees: 5,704)
Number of Subsidiaries	61 (of which, 55 are consolidated subsidiaries)
Account Settlement Date	March 31
Accounting Auditor	Ernst & Young ShinNihon LLC

External Recognition

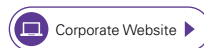


Participation in Initiatives



Issuer

Yamaha Corporation



- ▶ Investor Relations Division, Corporate Management Unit
Sakura Tower 8F, Shibuya Sakura Stage, 3-2, Sakuragaoka-cho, Shibuya-ku, Tokyo 150-0031, Japan
- ▶ Sustainability Group, Corporate Planning Division, Corporate Management Unit
10-1, Nakazawa-cho, Chuo-ku, Hamamatsu, Shizuoka 430-8650, Japan

Inclusion in Indices

Yamaha Corporation is included in environmental, social, and governance (ESG) indexes and socially responsible investment (SRI) funds, which give consideration to environmental and social factors, both in Japan and overseas. In addition, the Company has been selected for inclusion in all six of the Japanese stock ESG indices employed by the Government Pension Investment Fund (GPIF) of Japan.

- Nikkei Stock Average (Nikkei 225)
- JPX-Nikkei Index 400
- TOPIX Mid 400 / TOPIX 500 / TOPIX 1000
- MSCI ESG Rating
- MSCI Selections Indexes*¹
- MSCI Japan ESG Select Leaders Index*¹
- MSCI Nihonkabu ESG Select Leaders Index*¹
- MSCI Japan Empowering Women Index (WIN)*¹
- Morningstar Japan ex-REIT Gender Diversity Tilt Index*²
- FTSE4Good Global Index*³
- FTSE Blossom Japan Index*⁴
- FTSE Blossom Japan Sector Relative Index*⁵
- S&P/JPX Carbon Efficient Index
- S&P Japan 500 ESG
- S&P Global Sustainability Yearbook Member

*¹ The inclusion of Yamaha Corporation in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Yamaha Corporation by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

*² Morningstar, Inc., and/or one of its affiliated companies (individually and collectively, "Morningstar") has authorized Yamaha Corporation to use of the Morningstar Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Yamaha Corporation ranks in the top quintile of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt Index™ ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Yamaha Corporation solely for informational purposes. Yamaha Corporation use of the Logo should not be construed as an endorsement by Morningstar of Yamaha Corporation or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Yamaha Corporation. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks or services marks of Morningstar, Inc. Past performance is no guarantee of future results.

*³ FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Yamaha Corporation has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

*⁴ FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Yamaha Corporation has been independently assessed according to the FTSE Blossom Japan Index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

*⁵ FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Yamaha Corporation has been independently assessed according to the FTSE Blossom Japan Sector Relative Index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, the FTSE Blossom Japan Sector Relative Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



2025 CONSTITUENT MSCI Nihonkabu
ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



FTSE4Good



FTSE Blossom
Japan



FTSE Blossom
Japan Sector
Relative Index

Declaration of Authenticity



Yamaha Corporation has been publishing annual reports since 2018 with the aim of helping shareholders, investors, and other stakeholders gain a better understanding of its approach toward medium- to long-term value creation. 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.

We hope that this annual report will help our stakeholders gain a better understanding of the Yamaha Group.

Atsushi Yamaura

Director, President and Representative Executive Officer



YAMAHA CORPORATION

<https://www.yamaha.com/en/>